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NEAR EAST/SOUTH ASIA REPORT

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CONFERENCE EXAMINES TIES BETWEEN EGYPT, ARAB WORLD

London AL-SHARQ AL-AWSAT in Arabic 23 Oct 83 p 3

[Article: "Vital Link Between Egypt and its Arab Environment Confirmed. Effects of Egypt's Isolation and its Military Neutralization Discussed"]

[Text] The conference on "Egypt in the Arab World" ended a few days ago. It was organized by the Jordanian Center for Study and Information in 'Amman and was held from 3-4 October.

It is considered to be the first conference on "Egyptian--Arab relations" held in an Arab country since the Arab boycott of Egypt began in March 1979.

The sole conference on this topic which preceded it was held outside the Arab world last year, in London, under the auspices of the Center for Arab Studies, which is headed by Mr 'Abd-al-Majid Farid.

The 'Amman conference had no official character, although Prince Hasan, the heir to the Jordanian throne, took part in its activities. He participated in his capacity as a prominent member of the Jordanian Center for Studies and Information, not in his capacity as heir to the throne. Ten Egyptian intellectuals also took part, including three former ministers: Dr Yahya al-Jamal, Dr Muhammad Mahmud al-Imam, and Dr 'Abd-al-Wahhab al-Barlasi.

AL-SHARQ AL-AWSAT has learned that the organization of this conference is considered part of the "people's diplomacy" undertaken by some intellectuals in Egypt and the Arab world. Its goal is to prepare the atmosphere for the resumption of Arab--Egyptian relations, in the words of Dr Sa'd-al-Din Ibrahim, a sociology professor at the American University in Cairo and a conference participant. He added that the discussions which went on at the conference had achieved important results on this level. They produced a big reaction among the Jordanian intellectuals. The most important manifestations of this reaction was their realization of the nature of the pan-Arab position of the government of President al-Mubarak and of the importance of resuming Egyptian--Arab relations as soon as possible.

The conference discussed six working papers. Their most prominent ideas are displayed below.

The Effects of Egypt's Isolation From the Arab World

The first paper was presented by Ibrahim Bakr, the former chairman of the Jordanian bar association. It takes as its starting point the confirmation of the reality of vital links between Egypt and its Arab environment, and colonialism's effort to destroy these links and isolate Egypt from the Arab world. This effort has been going on since the beginning of the last century. On this basis, the paper affirms Egypt's vital role in the Arab--Israeli struggle and the negative influences of the Egyptian--Israeli peace. The most important of these influences are:

- Allowing Israel to escape the political isolation which the Arabs have imposed on it since 1948.
- Accepting the Israeli concept of peace, from the exchange of political representation to cultural and economic relations.
- The untying of the knot of Arab national institutions and the loss of their Egyptian capabilities.
- The neutralization of Egypt and its military forces in the Arab--Israeli conflict, with a concomitant improvement in Israel's strategic situation.
- Allowing the United States to manage the Arab--Israeli conflict outside the framework of international law, despite its known preference for Israel.

Nevertheless, it is the view of the paper's author that these negative influences have been diminishing since President al-Mubarak took office in Egypt. Many signs of Arab activity have returned to Egypt. People are talking more and more about the need for Egypt to return officially to Arab ranks. However, the paper emphasizes the necessity for Egypt to discard the Camp David agreements as a condition for its return to Arab ranks, as well as the need for drawing up a supreme Arab strategy for managing the conflict with Israel. The paper makes this logic clear by saying: "If Egypt returns officially to Arab ranks carrying with it the Egyptian--Israeli treaty and the Egyptian-American strategic relationship, then the American--Israeli concept of peace will dominate all the Arab territory."

The paper by Dr 'Ali al-Din Hilal, a professor of political science at Cairo University, presents the other side of things: the effect of the Arab boycott on the social, economic and political situation in Egypt. He confirms that the most important effects of this boycott have been political and social, while the effect of the economic boycott has been limited due to the flow of American aid into Egypt and the increase in transfers from Egyptians working abroad. Thus, the paper defines the effects of the Arab boycott as follows:

Politically, there has been a widening of the split between the government and the opposition, which enjoys Arab support for its positions against Camp David. This has led to important changes on the fringes of the political game in Egypt.

Socially, the idea of Egyptian nationalism is once again prominent, in contrast to the idea of Arab nationalism, although ideas opposed to the Arab character of Egypt have not found acceptance, since the pro-Arab tendency has expressed its strength and firmness.

A Formula for Arab Salvation

"Politics and Economics in Egypt's Arab Relations" was the title of the third paper. It was presented by Dr Sa'd-al-Din Ibrahim, a professor of sociology from the American University in Cairo. His paper focuses on the link between economic deals and political bargaining in Arab--Egyptian relations. It is a powerful link, because it is connected with the relations of Egypt and the Arab states to the world economic system. This may have to do with the general structure of the political economy of the Arab nation. The most important of its features is the absence of economic integration. On this basis, the paper concludes that the late President al-Sadat's calculations concerning the weak effect of the Arab economic boycott on his decision to make peace with Israel have been proved largely correct. To this extent, the paper agrees with the evaluation of the Arab economic boycott of Egypt contained in the paper by Dr 'Ali al-Din Hilal. However, it differs with the paper of Mr Ibrahim Bakr, which says Egypt must cancel Camp David before returning to the Arab ranks. Prof Sa'd-al-Din Ibrahim's paper thinks that this is unnecessary, unless all means of peaceful resolution are exhausted.

On the other hand, his paper offers a formula for Arab salvation which it calls the gradual, moderate and realistic formula for stopping the collapse. It says that this is the same formula used by the Arabs after the 1967 defeat and in the 1973 victory. It is the formula of comprehensive Arab solidarity oriented toward gradual, limited goals capable of being achieved. Egypt plays a crucial role in it, given the symbolic and practical steps taken by President Mubarak to express Egypt's pan-Arab commitments. In the framework of this formula, "politics abandons the dead end of tactical haggling for the open spaces of strategic goals, while economics leaves the field of deals and brokerage behind for the road of true development."

Economic Integration

The paper by Dr Sayyid Radwan, an Egyptian economics professor working for the International Labor Organization, focuses on the importance of economic integration between Egypt and the Arab countries. It is based on the idea that an examination of the future of Egypt's economic relations with the Arab countries must begin with an attempt to understand what happened in the decade of the 1970's.

The paper's author thinks three factors influenced this relationship:

- the transformation of the Egyptian economy into a consumer economy in the shadow of the open-door policy in the 1970's;

- the weakness of the Egyptian economy's need for Arab markets;
- the transformation of the Arab economies into competing economies instead of integrated ones. These factors caused the economic ties between Egypt and the Arab countries to be weak.

This is demonstrated by the fact that the Arab states' share of Egypt's foreign trade has never been more than 6 percent. The paper affirms that these bonds can only be strengthened in the shadow of a comprehensive orientation in Egypt and the Arab states toward independent, self-sufficient development based on Arab solidarity.

The conference also discussed two papers of similar orientation on the Egyptian workers in the Arab world. The paper by Dr Muhammad Mahmud al-Imam, the former Egyptian planning minister, focuses on the effects of this worker migration on the Egyptian economy. It deals in detail with the movement of Egyptian labor throughout the Arab world on the basis of a point of view which focuses on its negative effects on the Egyptian economy.

The most important of these effects is the appearance of a shortage in some specialized professions and manual skills, although it admits that the transfers from Egyptians working in the Arab countries helped meet some of the Egyptian economy's urgent needs. Nevertheless, the paper warns of the danger involved in the continued dependence of the Egyptian economy on this resource, due to the increasing probability of a reverse or retrograde migration, the signs of which are already evident.

As for the paper by Dr Ahmad Qasim al-Ahmad, a researcher in the economics department of the Royal Scientific Association in Jordan, it focuses on the effect of the Egyptian workers on the Jordanian economy, noting that "the 80,000 Egyptian workers represent 70 percent of the total number of Arab workers in Jordan." The paper affirms the positive effects the Egyptian workers have had on the Jordanian economy. It praised the law issued on 15 December 1981, which exempted the Egyptian workers from the requirement of obtaining residency permission. The most important of the Egyptian workers' positive effects have been their contribution to solving the shortage problem created by the attraction exercised by the oil countries on Jordanian workers and their participation in the development of the Jordanian economy.

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GULF COUNTRIES' 'PENINSULA SHIELD' MANEUVERS ASSESSED

Kuwait AL-QABAS in Arabic 22 Oct 83 p 14

[Text] The cohesiveness of the Gulf Cooperation Council (GCC) states was tangibly confirmed by the joint "Peninsula Shield" maneuvers that were an expression of the hopes and desires of the people of the region.

These military maneuvers acquired a special importance at a time when the threats to the region are increasing as are the dangers from international eyes that covet the oil wells.

These maneuvers were participated in by the six GCC countries: Kuwait, Saudi Arabia, Bahrain, Qatar, The Sultanate of Oman and the United Arab Emirates, on whose territory the maneuvers were held. These maneuvers showed the homogeneity and cooperation of these states in various military, economic, political and social fields.

Therefore, the leadership of the GCC states sought to prepare these maneuvers to confirm to all the countries of the world the extent of the ties of the people of the region, their ability to protect themselves, and their insistence on preserving their identity, sovereignty and complete commitment to defend their interests and protect their resources against all covetous parties and provide security in the region without the need of foreign assistance or outside intervention.

Direct Response

If we consider the Peninsula Shield maneuvers to be a living response to the threats to close the Strait of Hormuz, or any other threat, then the statements by officials of Kuwait, Saudi Arabia and the UAE concerning these threats were clear and direct.

Kuwaiti Minister of State for Cabinet Affairs 'Abd-al-'Aziz Husayn said, "The issue of closing the Gulf to international shipping is a matter of utmost concern for all the Gulf states without exception. In fact, it is an issue that concerns the entire world, not only because the Gulf states export large quantities of oil, but also because closing the strait would be a serious act on the international level.

'Abd-al-'Aziz Husayn warned that such an act, if carried out, would bring about many dangers to all of the states of the region. Shaykh Jabir al-'Ali issued a statement after returning from Oman in which he said, "There is no excuse for closing the Strait of Hormuz or sabotaging oil installations. If the safety of navigation through Hormuz is exposed to any threats, the Gulf states will all be forced to repel the danger, regardless of its source."

Saudi Arabia Will Participate in the War

The Kingdom of Saudi Arabia has threatened to participate in the Gulf war if Iran were to try to close the vital strait. Saudi Second Deputy Prime Minister and Minister of Defense and Aviation Prince Sultan Ibn-'Abd-al-'Aziz has been quoted as saying, "Saudi Arabia will defend freedom of navigation in the Gulf if Iran carries out its threats." Prince Sultan stated that "It is Iran's right to talk and our right to defend." In the same statement he stressed that the Peninsula Shield maneuvers would provide more coordination between the armed forces of the GCC states.

United Arab Emirates Minister of Petroleum and Mineral Resources Mani' Sa'id al-'Utaybah has said, "Closing the Strait of Hormuz will not serve any side. It is in the interest of the Gulf states that the strait remain open."

He added, "The movement of oil, whether through the Strait of Hormuz or other international passageways, must be separate from political problems and must not be exposed to them." He pointed out that the Iran-Iraq crisis is considered a political one and not a petroleum one.

A Complete Strategy for Defense

Perhaps the statement given by the UAE chief of staff, Staff General Muhammad Sa'id al-Badi, at the conclusion of the Peninsula Shield maneuvers was the best response to all threats to the region, regardless of where they come from.

Staff General al-Badi described the maneuvers as a solid translation of common characteristics and goals that have joined the people of the region, past, present and future. He said that the maneuvers confirm the determination of the region's states to continue advancing by all civilized means on the road that they have chosen completely on their own in order to become a single entity to stand with all firmness and strength against all challenges. This would be done within an integrated strategic framework to defend every inch of the states' territory, protect their natural resources, and provide security and stability to their people based on the premise that responsibility for the security and defense of the region is first and foremost the responsibility of its people.

He said, "The goal of these maneuvers--the first of their kind--is to achieve the principles of cooperation and coordination, to have the armed forces of the GCC states work jointly, to strengthen their fighting ability, and to concentrate their military capabilities in order to achieve the national security that is an inseparable part of the security of our entire Arab nation."

Staff General al-Badi stressed that this joint operation was not a threat directed at anyone, but an urgent necessity for confronting the security demands and the joint defense interests of the GCC states, and for establishing the pillars of stability in this sensitive region of the world.

At the end of his speech he stated that the Peninsula Shield maneuvers gave added strength and dimension to the Arab strategy and to international peace, confirming the adage: If you want peace, be prepared for war.

A Historical Turning Point in the Region

The statements of leaders and officials of the GCC states have all confirmed that these maneuvers represent a historical turning point in the region, one that is very significant in light of the circumstances the Gulf region in particular, and the Arab world in general, are experiencing. His Highness the Crown Prince and Prime Minister Shaykh Sa'd al-Abdallah has stated that these maneuvers are aimed first at bringing brothers together and translating the resolutions and recommendations made by the leaders of the GCC states into perceptible, tangible deeds. He also stated that the maneuvers are aimed at increased cooperation, coordination, experience, knowledge and familiarity with many advanced military tactical matters.

His Highness the Crown Prince stressed that Kuwait ascribes great importance to strengthening its army and supplying it modern military weapons and materiel based on its absolute belief in the necessity of the Gulf region protecting itself from the many challenges and ambitions of enemies of the Arab and Islamic nation for this important region of the Arab nation.

Establishment of a Rapid Deployment Force

Crown Prince and Deputy Supreme Commander of the UAE Armed Forces General Sahykh Khalifah ibn-Zayid announced that the joint Gulf maneuvers represent important evidence for the entire world of the determination of the GCC states to preserve their sovereignty, identity and complete commitment to the defense of their interests. He said that the maneuvers also confirm the unified fateful understanding of the Gulf people and the urgency of the joint defense of every inch of Gulf territory, protection of its natural resources, and provision of security and stability against all who are covetous. He said that this is based on the principle that the responsibility for the security of the Gulf region is the responsibility of the states of this region without foreign advice, intervention or support.

He added, "The Peninsula Shield maneuvers are a part of the arrangements aimed at establishing a rapid deployment force for the Arab Gulf states which the GCC decided to establish. There are other steps currently being taken to prepare for the holding of joint air and naval exercises during the coming year by the GCC states.

An Armed Framework for Joint Action

Crown Prince and Commander of the Bahrain Defense Force Shaykh Hamad ibn-'Isa Al Khalifah stressed that the Peninsula Shield maneuvers are the best way to raise the level of the Gulf armed forces. He said that they are an indication of the political capability of the Gulf states to do whatever is necessary to aid in the progress of the GCC.

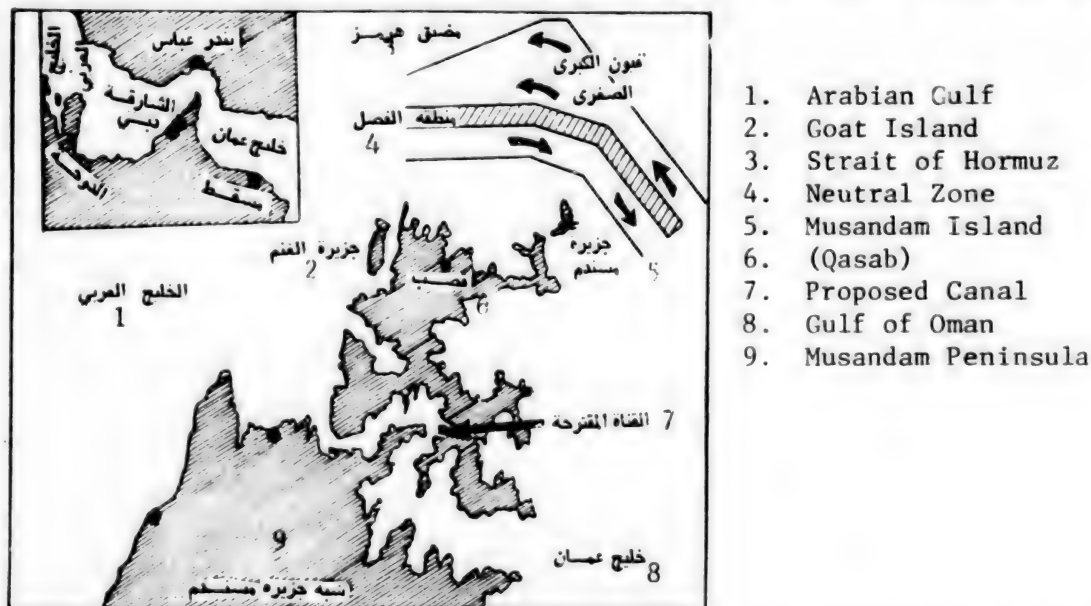
He added, "These armies represent a powerful structure capable of imposing security and safety in the region."

Shaykh Hamad described the maneuvers as a symbol of the ties of the people of the GCC states who are capable of coordinating militarily and building an armed framework for joint action for the sake of a single goal and a single fate. This confirms that the responsibility for the land, air and water of the Gulf is the joint responsibility of all the GCC states.

Qatari Crown Prince and Minister of Defense Shaykh Hamad ibn-Khalifah Al Thani stressed that these maneuvers were a true embodiment of actual cooperation and coordination among the GCC states. He said that the maneuvers represent the beginning of a vital stage of practical and functional coordination among the armed forces of the six member states of the GCC.

Omani Minister of State for Foreign Affairs Yusuf al-'Alawi announced that the goal of the joint Gulf maneuvers was to test the defense capabilities of the GCC's rapid deployment force.

He added, "Peninsula Shield confirms the cooperation and coordination among the various branches of the GCC states' armed forces. It represents a turning point in the history of the region and is very significant in view of the circumstances the region and the Arab world are currently experiencing."



[Inset: "The Alternative Passageway to the Strait of Hormuz: A Canal Linking the Gulf of Oman to the Arabian Gulf."]

The idea of finding an alternative to the Strait of Hormuz was not first imposed by the dangers of the Iraq-Iran war and the Iranian threats to close the strait, but by the severe storms that confront ships crossing this strategic international strait that links Gulf oil to the world.

In 1962 delegations sent by the American Geographical Society in cooperation with Oxford University to Musandam Peninsula recommended that a canal be dug connecting the Gulf of Oman with the Arabian Gulf. The canal would have cost just over 1 million Kuwaiti dinars and would have taken about 18 months to dig. Ships passing through the Gulf would have been provided with a 70 kilometer route around the Musandam Peninsula and the Strait of Hormuz would not be the only entrance to the Gulf.

In addition to this, both sides of the canal could be used to establish economic projects that would increase the prosperity of this obscure region of the Musandam Peninsula where the Shihuh tribes live at a subsistence level, depending on fishing or a little agriculture around Wadi al-'Ayn.

A Similar Project

In 1975 Dr Mahmud Abu-al-'Ala', a professor at Kuwait University, at the League of Kuwaiti Sociologists recommended a similar project for the region where there is an isthmus on the Musandam Peninsula called al-Maqlab Isthmus. It is located between al-Sham Bay, which is linked to the Arabian Gulf, and Habalayn Bay, which is linked to the Gulf of Oman.

The first bay is 35 meters deep and the second bay varies from 45 to 50 meters deep. In other words, they both can accommodate the largest oil tankers. The narrowest part of al-Maqlab Isthmus is at the village of al-Mukassar. Here the width of the isthmus is only 250 meters separating the waters of the Gulf of Oman from the Gulf of Aden [sic]. The altitude of this section is 80 meters.

From the standpoint of geological formation, the stone of this section is not very hard (limestone). If a canal were dug this distance, that is only 250 meters, it would connect the Gulf of Oman with the Arabian Gulf and would save ships from passing through the Strait of Hormuz and would save 70 kilometers round trip around the Musandam Peninsula.

An important note here is that the waters of al-Sham Bay during high tide are 1 meter higher than the waters of Habalayn Bay. Therefore, when this canal is dug, which will not cost more than 1 million Kuwaiti dinars, locks must be built so that the water of al-Sham Bay will not flood the neighboring land.

The fact is that the limestone region, which ends in the north at the Mount Oman Arch in the southeast of the Arabian Peninsula, is a region interspersed with zinc and layers of soft rock all along the southeastern side of the hard Arabian Peninsula block.

The most important feature of the limestone region is that it is an extremely rugged region. It is known as the Musandam Peninsula but is also called the Ru'us al-Jibal (mountaintops) region.

Relative Strength of GCC Countries' Armed Forces

This table shows the relative strength of the armed forces of each of the Gulf Cooperation Council countries according to a Reuters News Agency report.

	Infantry and Armor	Air Force	Navy	Total Armed Forces
Saudi Arabia	35,000	15,000	2,200	52,200
Kuwait	10,000	2,000	1,000	13,000
UAE	46,000	1,500	1,000	48,500
Oman	15,000	2,000	1,000	18,000
Bahrain	2,300	100	150	2,500
Qatar	5,000	300	700	6,000

12608

CSO: 4404/108

GULF STATES TURN TO COMPUTERS TO SOLVE LABOR PROBLEMS

London AL-MAJALLAH in Arabic No 184, 20-26 Aug 83 pp 39, 40

[Article: "The Computer is Invading the Gulf and Solving the Problems With the Foreign Workers"]

[Text] It is expected that the Gulf Cooperation Council [GCC] countries will become one of the best markets for advanced technology now that it has become clear that electronic devices may offer the best way of solving the region's difficult problems with foreign workers.

Mr Yusuf al-Shirawi, the Bahraini minister of development and industry, has announced that replacing people with machines has become one of the prime planning goals of the countries of the region. All of these countries play host to huge colonies of foreign workers, who currently make up about a third of the region's population. In some cases, they account for three-quarters of the work force. Mr al-Shirawi said during a lecture he gave to some students in Bahrain that replacing foreign workers with Arab workers is not possible in practice, because it would lead to intellects and brawn being drained out of the other Arab countries, not to mention that the quality of worker required in the Gulf is rare in the Arab world. Mr al-Shirawi made it clear that the trend toward automation and giant computers is something inevitable, especially since the region's needs have exceeded the capacity of some countries to provide labor. He revealed that India, which has a population of 700 million, was recently unable to supply the needs of the region, meaning that the countries of the region were forced to go looking in other Asian countries, such as the Philippines and Thailand.

Al-Shirawi noted that the ministers of education in the Gulf are currently devoting themselves to drawing up a new strategy which aims at assuring that the region's needs in the future will be met by its own people, with dependence on foreign sources being kept within the narrowest possible limits.

The Spread of Computers

In reality, many government institutions and the private sector in the Gulf have begun to generalize the use of computers already. Competition between companies that are rivals in a particular field will work to disseminate the use of these devices as widely as possible.

Recently educational institutions which specialize in preparing young people to work in this area have spread in the Gulf. Some of these institutions belong to the universities. This is the case in Saudi Arabia. Others are private institutes or schools set up by the big companies as a way of helping to prepare the people of the Gulf for the expected leap forward. Ahmad Kikso, the president of the administrative consulting group in Bahrain, says that the new generation in the Gulf will be able to bring to its society a revolution in the use of computers which will keep pace with the rapid progress in this area being made in the societies of the West. He supports this contention by pointing to the spread of computer instruction institutes in the various GCC countries and the interest the government educational agencies have in acquainting their students with computers. For example, the Ministry of Education in Bahrain has announced the bidding on the supplying of a computer for secondary education. Moreover, Bahrain currently holds three institutes which are active in this area. The Government of Bahrain is paying the fees of the students at these institutes as part of the vocational qualification plan known as the 10,000 Jobs Plan.

Arabizing the Computer

Kikso, whose company is taking part in this area in addition to "detailing" computer programs for banks and companies in various economic sectors, says there is a growing feeling that the computer is "the way of the future, which we must walk." The utilization of these devices necessitates the presence of individuals with a superb degree of scientific attainment and competence. This means that the Gulf's society will benefit to the greatest degree possible from its most important and precious resource: its human resources. One of the advantages of the computer is the ease with which it can be fitted to the measure of the human element. You can have the work of six people done by one person. Later, on you can add human hands and brains so as to reach higher levels of performance and productivity.

The administrative consulting group called "Logic Company", which was founded in Bahrain and after a short period attracted the partnership of Mr Fu'ad 'Abdullah Fu'ad, who heads a group of 40 Saudi companies with numerous branches in various countries of the world, Mr Salah al-Rayyis, who founded the Gulf Investment Company and is from Kuwait, and the Arab Consulting Engineering Company, which is considered the biggest company of its kind in the Middle East. The company's high officials say that the speed with which computers are spreading in the Gulf means that Arab investors will be looking in the near future into the establishment of related industries, such as the production of polysilicon. This is a project of assured profitability, in view of the way this substance enters into all computer industries and solar power devices. The local assembly of computers that work in the Arabic language is another possibility.

While Logic Company is carrying out its plans to Arabize the computer in the Arab World and participating in numerous projects with the GCC countries and Iraq, its sister, the administrative consulting group, is concentrating

the education side. It offers instruction concerning the various branches of computer applications, in addition to preparatory and advanced language study for those who need it. The young people of the Gulf are interested in learning the new language of the age, which is considered the passport to a secure future in any region of the world and can now provide a recently graduated youth in the Gulf with a monthly income beginning at 400 dinars. Moreover, this field is giving the young women of the Gulf their golden opportunity to play a suitable role in building society and blocking the advance of the foreigners against the region.

"They Answer the Questions and Conduct a Conversation"

The success of young women in this field of activity can be seen in the automatic data center belonging to the General Secretariat of the Kuwaiti Council of Ministers. It began operations last year. Mrs Hissat Ahmad al-Bahwah, the documentation statistician at the center, says that the nature of the work agrees with the well known female characteristics of precision, organization and patience. Among the first of the difficult tasks she dealt with was recovering the basic data concerning the decisions of the Council of Ministers from 1962 until now and storing it on microfilm and by electronic means. The secretary of the automatic library, who is also responsible for retrieving data from the computer's memory, Miss Jamilah Muhammad Jasim al-Tannak, says that she found no difficulty in beginning her work at the center after she was graduated from the computer division of the Commercial Institute. Like her colleague, Miss Najat Yusuf al-Sayf, who is the secretary of the computer library, Jamilah takes part in training courses in order to stay abreast of the rapid development in her field of work. Engineer Ahmad al-Tawil, the director of the center, and Mr 'Adnan al-'As'us, the microfilm production statistician, praised the performance of the Kuwaiti ladies working with computers who are contributing to the construction of the edifice of the modern renaissance. Thanks to them, the required data is in the hands of officials seconds after they ask for it. This includes the most precise and recent data concerning various kinds of activity in the country, such as biddings and tenders.

In expectation of the electronic revolution in the Gulf, many big companies have begun to advertise their computers and look for agents in the region. This has coincided with the appearance of numerous institutes which qualify students to program and operate computers. One businessman has predicted that this sector "will be the fastest growing activity in the Gulf in the next few years." At the same time, one advertisement recently distributed in the Gulf claimed that computers had invaded all areas of work, including assisting housewives with housework and the role of the teacher in the field of education. It said these devices "explain the lesson, answer questions, hold a conversation with the students, correct the answers, and make the dry, difficult lesson easy, interesting and pleasant for the students." This has led them to be used widely in the Kingdom of Saudi Arabia, especially in the area of girls education, since experience has demonstrated that the most advanced human discoveries are amazingly consistent with the application of the social teaching Islam has always proclaimed. The advertisement assured teachers that the computer would help fill the world-wide shortfall in teacher training. "It will not get rid of teachers entirely," the advertisement said.

OUTLOOK FOR MAGHREB UNITY DISCUSSED

Paris LE MONDE in French 27 Oct 83 p 21

[Article by Mustapha A. Filali: "The Narrow Path of the Maghreb Future"]

[Text] The revival of the Maghreb building process has been arousing great hopes since the beginning of the year from Nouakchott to Tripoli, passing through Algiers, Rabat and Tunis. The governments are emphasizing the need for economic cooperation as a first step on the way to unity. Mr Mustapha Filali, an official of CPCM [Maghreb Permanent Consultative Committee] since its creation in 1966, warns against excessive optimism.

The building of a shared future by the Maghreb countries has become the indispensable jewel of political discourse. This constant reference to a tenacious project scarcely manages to hide the crisis that is raging in the Maghreb, a crisis doubly felt, in the area of peaceful coexistence as well as in the area of a shared vision of a common future. It is only partially correct to attribute the origin and development of this crisis to the conflict in the Western Sahara. This conflict has only contributed to giving a more dramatic form to an older ambiguity, prior to the Algerian-Moroccan divorce of 1975.

Five Maghreb countries, forming an area of geographical continuity and social and cultural homogeneity, confronting as well multiple challenges from a society in a profound state of change, declare themselves incapable of stabilizing real potential for the building of a joint future and of giving priority to the factors of harmony and homogeneity over those of dissemblance and discord. The 20 years of their national youth have, however, been sufficient in other places for the achievement of no less ambitious objectives. Institutions of a community nature, functioning since 1964, have uselessly accumulated a stock of regional projects and Maghreb studies suited to making the outline of this joint future become the reality of national constructions. One and all seem determined henceforth to pay witness to the past.

The Responsibility of Nationalisms

A blockage seems to be clogging the access ways to the Maghreb future, and rendering a good ten or more cooperation and good neighbor agreements concluded since the failed conference of Tunis in October 1957 inoperable. It is true that it is only a matter of bilateral agreements, which quickly caused the enthusiasm aroused by the Tangiers conference in 1958 to cool and to make the daily realities of wills, however sincere in their desire to transform this reality, evident once more. The blockage of a situation common to a regional group is rarely a single-cause phenomenon, explicable by a series of simple reasons or by immediate data. Internal factors appropriate to the Maghreb states are detectable, among the first order of which must be mentioned the urgency of building a nation. The often heavy sacrifices endured during the wars of liberation still affect the present Maghreb, and their memory is still too vivid for it to be easy to ask the current generation to go beyond the national.

The narrow paths used by one and all for the building of nations have been, as if by design, sown with serious obstacles to the future of the community. There is no doubt that the lonely path of a powerful industrialization, with a more political than economic nature, the total absence of agreement in the conception and implementation of development plans, the delay caused by the promotion of agriculture that is devoted first to satisfying the food needs of the region, the hesitation waltz between the development options and the constant reference to one ideological model or another, count among the internal factors for the failure of the Maghreb project. Their evidence underscores the responsibility of Maghreb nationalism which sinned through lack of foresight and imagination more than through a deficiency of the community will or by political duplicity.

External factors have exercised a profound influence, the effects of which continue to affect the present and to thicken the fog of uncertainty about the future. A good number of difficulties which have continued to confront the Maghreb countries since independence are the lingering effects of decisions made by the colonial administration during its time.

The Frontiers: Seed of Discord

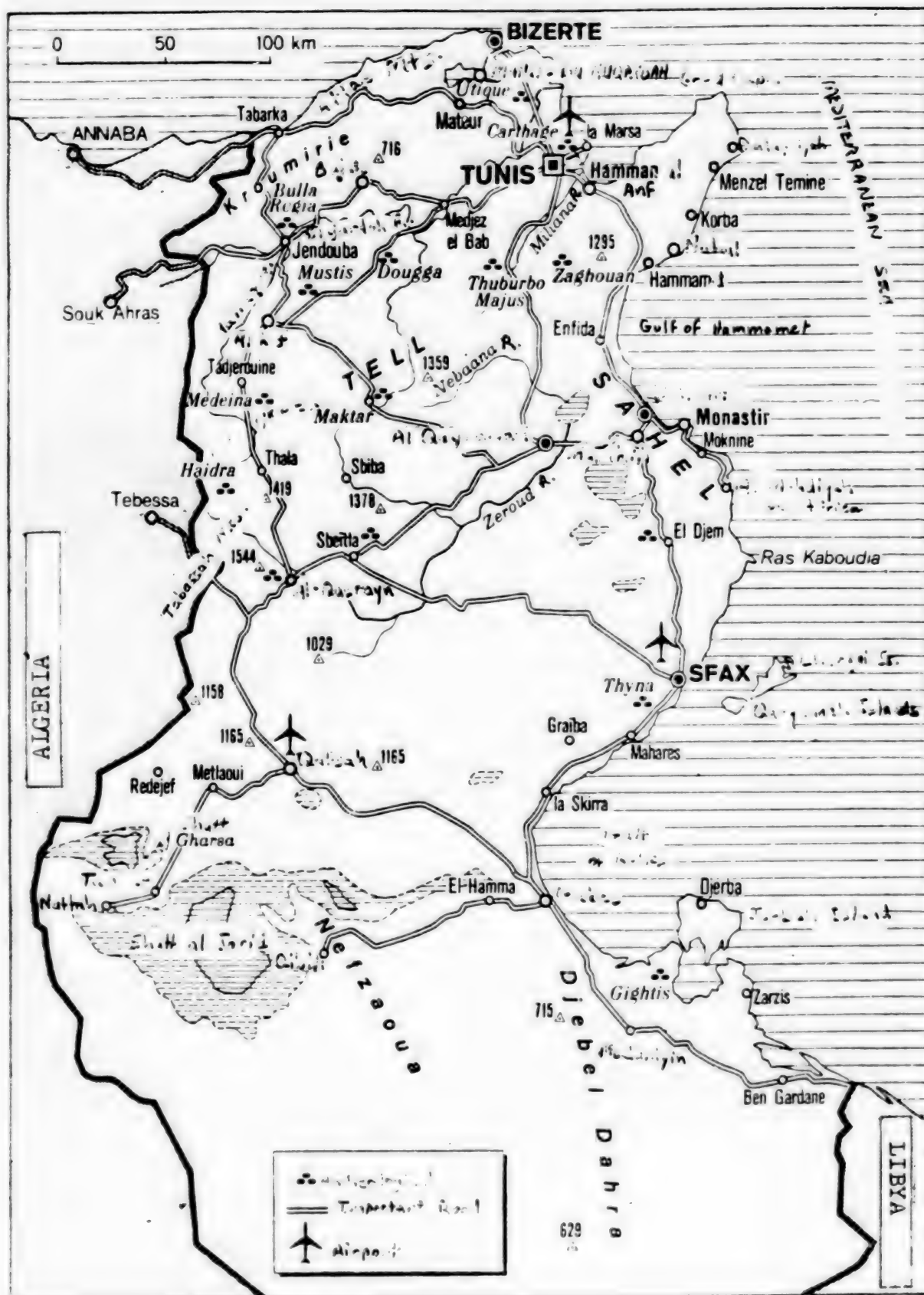
Let us cite several examples: the food insufficiency and the deficit of the agricultural balance are the indirect result of choices made in the Maghreb countries in favor of more marketable agricultural speculations and, still more, devoted to the satisfaction of "metropolitan" needs. That is true, especially for the grape vineyards, the cultivation of fruit orchards and market gardening. The polarization of Maghreb trade by the metropolitan economy and their inscription in the dominant monetary zone largely explains the heavy dependence of Maghreb economies on the EEC and, more especially, on France. Three figures suffice to illustrate this dependence: The report of the GNP trade value reached a high point of 25 percent in the Maghreb, while the tolerable ratio must be lower than 10 percent. The Maghreb's share of trade with the EEC goes as high as 70 percent of the total trade, while the Maghreb's

share in the total trade of the community does not exceed the ridiculous figure of 3 percent. There is no point in recalling the Maghreb dependence on the European work market, where a million and a half emigrants serve as exchange currency, if not as scapegoats.

Another major consequence of the decisions of the colonial period is the gerrymandering done by military and administrative authorities during the drawing up of boundaries between the states of the region and the attempts made with Morocco and Tunisia following their independence and in a time of war in Algeria to correct these gerrymanderings or to aggravate them. Today it is an obvious fact that the boundaries inherited from the occupation geography are a seed of discord in the present-day Maghreb. This dispute eclipses any other among the countries of the region. Today it is considered, in its Saharan chapter, as the major obstacle to the normalization of present relations and to the building of the common future.

One last, but not least, example of the residual effect of decisions made by the colonial administration is the insufficiently prepared manner of transition between the colonial administration and the national administration. In varying degrees, all countries of the region were surprised by the coming of independence and were, for the most part, left to improvise, when faced with the lack of management of their regained sovereignty.

In spite of the real burden of yesterday's initiatives on today's decisions and performances, there is a common future for the countries of the region. This future is both a certainty, profoundly felt by the inhabitants of the Maghreb, and an attachment to the values of a shared civilization. Reconciliation and concord among the Maghreb nations are of first and urgent importance. This reconciliation is delayed today by the problem of the Sahraoui minority. The rights of some 78 thousand people of this minority, in other respects quite legitimate, cannot, however, be balanced in a future perspective with those of 45 million other Maghreb citizens. By what right can this minority make claims that are outside of or frankly in opposition to the common future of the regional collectivity? Within what alliance can it constitute a sovereign state, build a viable future of answer the essential needs of the populations? The Gulf states, with otherwise more substantial resources, have been forced to go beyond their tribal entities. Today these Sahraouis are in the same boat as all the other Maghrebians. As the Prophet advocated in an authentic, although seldom quoted hadith: "Either they will be left free to act and cut a hole in the hull, and they will then perish, one and all, or they will be led back to a more just notion of solidarity, and they will all be saved, along with all the other occupants on board."



CONTROLS OVER PRIVATE POSTAL SERVICES SOUGHT

London AL-MAJALLAH in Arabic No 186, 3-9 Sep 83 p 40

/Article: "Do Private Mail Companies Pose a Threat to Arab National Security?"

/Text/ The resolution of the Gulf Mail Organization, concerning the suspension of operation of private mail companies in the area, is still only ink on paper, and that is despite the passing of 2 years since the first resolution of this type and the reconfirmation of the resolution itself at the conference which the organization convened recently in Qatar. Some say that the private mail companies pose a threat to Arab national security, not to mention that they compete with governmental mail organizations. They are calling for the submittal of a report about this to the League of Arab States and an urgent appeal to the Arab Postal Union to take immediate action. In the following investigation and by way of an interview between our delegate and the Bahrain postal director, Mr 'Ali Matar, AL-MAJALLAH sheds some light on the bones of contention which are caught between the private mail companies and some government administrative agencies in the Arab World.

The resolution which was issued from the second conference of the Gulf Mail Organization, held in Doha recently was clear in meaning and decisive as well, but the wording of the resolution left the impression that the matter would be left in abeyance at least until government postal administrations succeeded in introducing express mail service in the region as a substitute for the service which the private mail companies offer, and which has become something which cannot be dispensed with as far as the many companies operating in different parts of the Gulf and the Arab World are concerned. These companies are ready to pay whatever the private mail distributors request even if it is double the cost of express mail in order to guarantee the arrival of their packages and their documents at the appointed time, and it is possible to charge someone a severe fee in case of the late arrival or loss of their packages. At the same time the representatives of the private mail companies refute the accusations against them, saying that they work side by side with government postal agencies and under the supervision of the authorities and the witness of their success is the continually increasing demand for their services.

Smuggling of Hard Currencies

The resolution issued from Doha requests that postal agencies in all member countries quickly introduce express mail and urgently appeals to all government institutions and especially to Gulf airlines to take adequate measures to prevent private mail companies from pursuing their work and to prevent their carriers from continuing their shuttle trips in and out of the region.

The text of the resolution says, "after examination of document No 15 concerning the prevention of "DHL" and others from carrying out their postal activities, and all views having been considered, the conference resolves as follows:

1. Reconfirmation of the previous resolution of the emergency conference of the organization in Abha' (1401 Hijri, 1981 A.D.) and which states that postal services operate alone or jointly in cooperation with government agencies and Arab airlines to prevent the mentioned company and any other similar companies from operating as postal services.
2. Authorizing the Secretariat General with following up on contacts with the Arab Postal Union in regards to the joint report which was presented to the League of Arab States, the taking of necessary measures with member governments and displaying the results to the next executive council.
3. Urging member agencies which have not introduced express mail service to quickly do so and to widen its exchange in their own areas specifically and between Arab countries in general.

It is clear and the resolution affirms plainly that private mail companies are not allowed to operate either in the Gulf or in Arab territory. The question that is raised is: Why did the convention resolve to prevent these companies from carrying letters and packages to Arab persons, institutions, and banks despite the fact that the service these companies provide is quick and its expansion occurred based on the lack of such service ever having been provided before by Arab government postal organizations?

In some Arab countries the constitution and laws in force do not permit the establishment of private companies, not including governmental organizations, operating in postal services for fear that this would pose a threat to internal security. In other Arab countries "all hell broke loose" and the authorities announced the closing of these companies after one of them was apprehended smuggling hard currencies out of the country in which it was operating. That obviously indicates that the resolution of the Gulf Mail Organization did not appear out of a vacuum.

Reasons For the Resolution

Therefore and as a natural result of these companies having carried out the activities noted in Bahrain, we had no choice but to lay the subject before Mr 'Ali Matar, director of the Bahrain Postal Administration and one of the participants in the last conference of the Gulf Mail Organization. We asked him our questions concerning the background of the organization's resolution and about the steps taken by the Government of Baharain and other governments of the Gulf to put this resolution into effect.

Mr 'Ali Matar said: "The resolution that the second conference of the Gulf Mail Organization issued includes alongside the barring of private mail companies, the following up of postal administrations, which are members in the organization, by setting up of express mail service to cover regions of the country on one hand and in order to offer this service abroad on the other hand. The resolution includes the necessity of the Gulf Mail Organization's General Directorate following up with the Arab Postal Union concerning the subject of private mail transport companies and its ramifications with the League of Arab States.

"Before going into the background of the resolution and the factors that led to it and before we turn our attention to the significance of these companies' work in spite of itself, let's shed more light on the manner of introducing express mail into the field of international mail and in turn into the area of local mail. For example in Bahrain even though some private mail companies had chosen Bahrain as their headquarters, government express mail service was introduced 1 January 1982. Since then we have been able to apply this service for letters in conjunction with Kuwait, Qatar, England, the United States, Japan, Hong Kong, and Singapore. The Bahrain Postal Administration is now pursuing the possibility of extending this service to Saudi Arabia, the Emirates, and the Sultanate of Oman completing ties between the countries of the Gulf Cooperative Council. Also we will pursue the possibility of having the same service with France, Switzerland, Holland, West Germany, Australia, New Zealand, and the realization of this will only take until the end of this year at the most.

"Here we should mention that the price for government express mail in Bahrain equals one-fourth of the price of private mail companies. In figures the price for a package less than half a kilogram sent from Bahrain by way of government express mail to 360 cities in the United States, Tokyo, Singapore, and Hong Kong does not exceed 12 Bahraini Dinars whereas it costs more than 30 Bahraini Dinars for the same weight when sent by private mail organizations."

Responding to the question about the extent of actual risk posed by the private mail companies from a security standpoint, Mr 'Ali Matar said, "First and before answering this question I want to say that these companies operate in Bahrain and in some Arab countries under commercial license issued by the government or other concerned authorities. Then these companies operate officially and the concession that was allowed them was because of the dire need for this service. Probably you will ask me here: Why the persistence, then, in bringing this subject before the Arab Postal Union Council? I can here confirm that each country has its own circumstances to consider. There are some Arab countries whose laws or constitutional articles do not allow the operation of these companies on their soil, and there are other Arab countries which fear the probability that the presence of these companies will effect their internal security. If we go back to Bahrain and if we turn our attention to the question of the threat of these companies to the security of the state, then I must say that if there was any danger to security as a result of the presence of these companies on our soil, then this matter falls within the complete jurisdiction of the Ministry of the Interior."

Representatives of the private mail companies in Bahrain say there is no conflict between their work and the work of government mail organizations and that their services participate in making possible the best postal services for the average citizen and for the businessman. One of the director of these companies is known in Bahrain for his belief that competition always generates better service such that the introduction of these private companies to this field lead to the hastened introduction of express mail service which then led to the lowering of prices of the private companies.

12390

CSO: 4404/40

PLAN TO LINK GCC STATES WITH NATURAL GAS NETWORK

London AL-SHARQ AL-AWSAT in Arabic 14 Aug 83 p 5

[Article by Amin Muhammad Amin: "There is a Gulf Plan to Link the GCC Countries With a Natural Gas Network"]

[Text] Yusuf Ahmad al-Shirawi, the Bahraini minister of development and industry, announced that a joint Gulf plan is currently being prepared to link the states of the Gulf Cooperation Council [GCC] with a network of natural gas pipelines. This would be done in order to assure sources of energy among the GCC countries and exploit the natural gas found in some areas of the Arabian peninsula. This gas can meet the needs of those areas for 500 years, while there are other areas which need it for numerous development and industrial projects which are currently under way or planned for the future. This is taking place in the framework of the conceptions of the commissions which are currently working to lay down a concept for the future of the GCC countries in various areas up until the year 2000.

In a lecture which he gave at the Bahraini Students Abroad Club in Manama concerning the role of the GCC in realizing economic integration, he said that the finance ministers had chosen four goals out of the 26 goals which are essential for achieving economic integration and coordination among the GCC states. The four goals to be achieved are: freedom of transportation and work, give full citizenship to the members of certain professions, like medicine, pharmacy, engineering and law so they may carry out their duties, and the provision of tariff protection for local industries, now that the council has succeeded in passing a law to allow locally manufactured goods to move freely between the GCC countries. A law will be issued soon setting the tariff rates for goods imported into the GCC countries from abroad. This will occur within the framework of the unified tariff policy which will begin to be executed among the GCC countries next September. The fourth goal is the unification of financial and commercial laws and regulations and the provision and facilitation of communications. He said that ministerial commissions in the GCC countries are currently working in various areas in order to find the best means for achieving the remaining goals. He said, "These goals will lead in the future to political unity, but we are not hurrying to achieve it now." He confirmed that execution will proceed at a natural pace without haste, lest the course be toward the rear. The Bahraini minister of development and industry announced

that there are projects to develop the aluminum, cement, iron, steel and petro-chemical industries on Bahrain, and to use the natural gas which is abundant in the area as a main means of powering them.

He said that, as part of the policy of industrial coordination among the GCC countries, Saudi Arabia had cancelled a project to manufacture 400,000 tons of aluminum in order to support the aluminum plant on Bahrain. Saudi Arabia has taken part in building and developing this plant. Planning is now underway to use 60 percent of the factory's output to meet the needs of the GCC countries. In addition, there is the sheet metal rolling project, which will produce more than \$100 million. Saudi Arabia is supposed to provide the crude oil needed to operate the Bahraini petroleum refineries, to which new operation units worth about \$1.5 million are currently being added. Moreover, Kuwait is contributing its expertise in the area of marketing their output. This confirms that coordination has been taking place successfully among the GCC countries during the short period since the agreement was signed. During this period, much has been achieved in the areas of defense, production, communications, aviation, etc.

Yusuf al-Shirawi confirmed that right now no one in the GCC countries is calling for immediate unity. He said, "This is because we are in the phase of studied coordination for the sake of achieving integration first of all. Our goal is to diminish disputes and attain, in accordance with our individual circumstances the simultaneous realization of our joint goal."

He demanded that the GCC countries prepare now for the post-petroleum stage, especially since the difference between petroleum and the energy substitutes for it is approaching the ratio of one to three. At the start of the 1970's, the ratio was one to twelve. He said, "This is what requires us to look for a new way to derive benefit from our wealth." He confirmed that the GCC countries are working to develop their social, economic and political systems in a manner consistent with the requirements of the next century. He confirmed that the GCC countries are currently looking for the appropriate method of sharing decision-making authority, and that all the cooperative projects are based on this sharing.

He said that the idea of setting up the council was born in 1968 and crystalized as the countries of the region gained their independence in 1971. The steps needed to execute it began in 1974 in the form of a tour made by the Saudi planning minister of the countries of the region. He called for the creation of the council. Then came the Arabian Peninsula Conference, which laid down the outlines for creating it, and then it was established. Therefore, the GCC did not spring from nowhere. Rather, it resulted from a method and a goal. Al-Shirawi dismissed the idea of setting up a new passenger airline in the region, saying he was satisfied for now with the three airlines in operation: Gulf Air, Saudi Airlines, and Kuwaiti Airlines.

He said there is complete coordination among these companies in the field of confronting the invasion of the foreign companies, which earn \$6 billion from the magnitude of region's passenger traffic. That traffic amounts

to \$8 billion a year, of which the three local companies obtain only \$2 billion. The goal is for the three companies to unify their efforts in order to earn a larger share. He said coordination currently exists in various areas.

12224

CSO: 4404/594

UGTA ROLE IN SUCCESS OF UPCOMING FLN CONGRESS DISCUSSED

Algiers REVOLUTION AFRICAINE in French No 1030, 18-24 Nov 83 pp 18-19

[Article by Z. Gadouche: "Listening to Opinion"]

[Text] The extraordinary session of the national council of the General Union of Algerian Workers [UGTA] was held a few days after the ordinary session. The session seemed even more interesting in that it was held at a particular time when every action, every activity, could be given various interpretations. This was true because, since the Fifth Party Congress is close at hand, the processes leading up to it are virtually completed, that is, the study of the programs by the basic membership, the general meetings of the mouhafadhas, the elections of the delegates, and the regional precongresses.

Is this to say that for all these reasons there should be a reduction in all activity and that each decision should be handled very carefully with tweezers to avoid breaking the routine and drawing "curious looks"? Certainly not. On the contrary, the current atmosphere, the rather remarkable political stability, and the social serenity prompt everyone, members, workers, staff, and officials, to increase their vigilance and enthusiasm in the work to insure the success for the FLN sessions that everyone is expecting of them.

It must be concluded that the precautionary measures that have been rumored here and there have been motivated by the unadmitted desire of some elements to create an atmosphere that can hardly contribute to a normal holding of this major political event. However, the party has always opposed this kind of situation, this kind of behavior that encourages a harmful delaying attitude. Must we repeat that the congress is one of the country's highest institutions that is held once every 5 years to make a critical evaluation of the completed phase and to decide on the program for all areas to be undertaken in the next phase. In other words, the party congress is a reflection of continuity and not a factor that produces a pause, a halt of undoubtedly harmful nature. Those who wait for the end of the congress before deciding to seriously get down to work obviously display a very narrow outlook. For what will be the primary thing decided? It will be repeated once again that work is the primary contributor to national development, and all the decisions that will be taken cannot be carried out without constant work. It is thus essential not to lose sight of this fact and to avoid creating an atmosphere that does not promote continuity of work and effort.

Having made this digression, let us get back to the UGTA for a moment. The latter is working to make its contribution to perfecting the documents to be presented to the congress. In this activity, it is obviously seeking to reflect the concerns of the Algerian workers, who are expecting a great deal

from these sessions. In fact, there are various competing ideas on a number of basic issues, such as socialist management of enterprises, the agrarian revolution, the private sector, etc.

During the general meetings and the precongresses, those elected, who are all workers from various socio-occupational categories, discussed a number of important topics and defined their positions. It is worth noting that the very broad participation of the workers in the discussions provided a realistic idea of the concerns of the various elements of the population as a whole. On the other hand, we are aware that the working masses have shown particular concern about the future of certain institutions. The concern could certainly have been prompted by the intentionally spread rumors aimed at sowing confusion in attitudes and developing a trend contrary to the revolutionary movement.

The country's fundamental options are in fact going to be better protected, further strengthened, and more refined. The Fifth Congress will have to take into account both the needs of the rank and file and the requirements of the phase through which the country is passing. Thus, it is clear that it has never been a question of going back on the principles for which the people so broadly raised their voice. However, this does not mean that we should not review their application, in form at least. The nondogmatic nature of these principles justifies their adaptation in this context whenever necessity arises, without affecting their fundamentals. In fact, the difference of opinion arises in the approach, nothing more.

Let us go back to the work of the UGTA, which has aimed particularly at broadening its base, awakening the political consciousness of the workers, and creating a normal social climate. However, there are some structures that contribute in one way or other to creating such conditions. We think of the worker assemblies, but also of the cells in enterprises, which have proved very effective. It is also necessary to consider the possibility of better defining, explaining, and especially developing the relations that should exist between the union organization and the other party bodies.

As an organization closely tied to the party, the UGTA cannot allow itself to take action without considering the other specific organizations. For example, today the occupational unions play an important role, particularly in the present situation. If these unions do come to participate in solving certain material problems of the workers, they do so without replacing trade union action. It is certainly true that the role of the occupational unions is primarily political, but to the extent that their congresses have assigned them the socio-occupational aspect, they can only accede to the desire of their respective rank and file.

At any rate, it has been demonstrated that their actions have contributed in a sense to reducing an apparently threatening tension. Thus, they have contributed to making complementarity a reality. The trade union should instead be happy at this endeavor, which has had a significant impact on the political action of the occupational unions despite their limited resources. If we want to develop the necessary resources to apply the party's policy, it is necessary to support these unions, which despite everything succeed in carrying out successfully some very interesting political actions.

Also, by their specific attributes (technical, economic, intellectual, cultural, artistic...) they contribute to enriching the organizational composition of the party and help to refine the debate on the various issues raised by the FLN.

In this connection, the UGTA should look differently at the role of the occupational unions, which have always been careful not to substitute themselves for the UGTA. Instead, it should make its contribution to solving the problems of the occupational categories linked to the unions by conducting active work in close cooperation with the organizations, which have the full confidence of their rank and file.

From an organizational aspect, it would be beneficial for the Fifth Congress to decide to provide the resources to the occupational unions to strengthen themselves, as has been broadly requested by party members on numerous occasions.

Speaking to the members of the UGTA national council, the representative of the permanent secretariat of the central committee said that "each citizen has the right to an organizational context within which he should exercise his political right and perform his national duty," and that the right to union activity is a benefit guaranteed by the Constitution. Was he not indeed stressing the need to strengthen the occupational unions and broaden their field of action?

On the eve of the Fifth Congress, the occupational unions have mobilized their members to make their worthwhile contribution to enriching the programs to be presented to the rank and file. The executive committees of the Journalists Union and the Jurists Union met recently, at the same time as the extraordinary session of the UGTA national council, to develop their action programs for the new year and to create the better conditions to assure that the coming FLN congress will achieve the success that all the members expect of it.

9920

CSO: 4519/40

NEW WAGE POLICY FOLLOWING GENERAL WORKERS' STATUS

Algiers EL MOUDJAHID in French 21 Nov 83 p 7

[Article by I.S.]

[Text] Of all the questions of interest to the labor world, apart from social security--pensions, hygiene and safety, national insurance--the question of wages is probably the thorniest problem and one that requires frequent and sustained attention considering the part wages play in development on the one hand and in the workers' purchasing power on the other hand.

According to the fundamental documents, especially the National Charter, a just and effective national policy of income distribution is one of the bases of the socialist way we have chosen. To the extent that we must rely on such a policy to translate into facts the philosophy reflecting the nature of our political choice. A philosophy according to which development should benefit those who contribute the most to it, the workers.

Thus, the National Charter emphasizes that "the mobilization of all the workers and their integration into active economic circuits are closely related to the wage policy and the labor remuneration system as a whole." This policy is essentially based on harmonization. "Such harmonization," the National Charter goes on, "should aim at removing the discrepancies resulting from the variety of remuneration systems used in the past, which were not based on any criteria. It must in particular be based on the research and development of a nationwide job classification, under conditions excluding any bureaucratic rigidity, to achieve a valid implementation of the principle of equivalent remunerations for equivalent amounts of work."

This policy set forth in the National Charter was sanctioned by the law concerning the General Workers' Status promulgated in August 1978.

This law establishes a body of principles that must govern labor relations (workers' rights and obligations, labor relations, job classification, working hours, holidays, arbitration and appeals, social security, etc.) and gives special importance to the question of wages.

If, in this law, attention is focussed on wages, it is because wages affect the workers' daily lives and have a direct impact on the realization of development objectives and economic management.

What the National Charter called for was the equivalent of a revolution, considering the inequalities, gaps and discrepancies that prevailed then. A survey made in late 1978 analyzed these discrepancies and summarized them as follows:

- Actual salary range of the order of 1 to 40.
- Privileged position of non-productive sectors (trade, finance, services, etc.) at the expense of productive sectors.
- Inequalities among enterprises in the same sector and among units of the same enterprise.
- Average agricultural salary four times smaller than in the service sector.

This situation was contrary to the principles of the National Charter and the demands of economic development and it was also the source of several ills that hindered the realization of development objectives: egalitarianism, devaluation of productive labor, penalization and imbalance of strategic economic sectors, underestimation of the economic role of wages, etc.

Temporary Measures

Therefore, the promulgation of the General Workers' Status clarified the bases of the national wage policy, which drew their inspiration from the principles of the National Charter.

Temporary measures were adopted as early as 1979 to try and create conditions for a correct and widespread implementation of such a policy and prepare the foundations of the new wage system provided for by the General Workers' Status.

These measures were characterized by three orientations:

- Reduction of the inequalities that affected wages paid in the various economic sectors and branches by giving priority to the harmonization of the wages paid to the less privileged categories of workers.
- Establishment of a direct connection between labor and its remuneration through the institution of individual and collective productivity bonuses in 1980.
- Control of the aggregate wage increase in order to consolidate the positive effects of harmonization and avoid throwing back into question the country's major economic balances.

To implement these orientations, and complement them too, over 40 texts were promulgated and 50 or so are now either pending promulgation or adoption or being prepared.

Next to the temporary measures and the texts concerning the application of the General Workers' Status, we should mention that early in 1983 the main organization provided for by the General Workers' Status was created: the National

Wage Committee which "at the request of the government is in charge of studying and advising on the procedure used to determine wages and on the problems resulting from the implementation of the wage policy nationwide and in each sector, in the context of a global wage, income and price equilibrium."

Wages-Production Connection

Besides the perfecting of the keystone of the new system, namely the nationwide job classification to be completed in 1984 (the nationwide job classification method having already been approved and promulgated) there are essentially two major factors in the new wage policy:

- The implementation of a system of indemnities.
- The efficiency of the incentive and profit-sharing system.

The former, whose implementation has already begun, deals with shift work, nuisances, permanent service, zones, etc., and is still directly related to job classification, as the right to claim certain indemnities can be established based on the job station rating.

The second facet constitutes an essential foundation of the new policy, as it establishes a link between wages and production. The procedure to follow is contained in two decrees: the decree "on the institution of economic wage regulation and collective and individual material incentives to workers based on the results of socialist enterprises."

The system, which deals mainly with enterprises of an economic character, has brought several innovations compared with the former wage status. Although the situation could be accounted for by the economic conditions prevailing at a time when the production apparatus was progressively created, nevertheless there was some confusion in the matter.

The implementation of the new systems has yielded appreciable results in several sectors through the introduction of individual and collective (monthly) productivity bonuses which have caused certain units to exceed considerably their production objectives.

Inseparable Interests

Actually, although the system is not yet fully effective, it still provides some incentive and may encourage the mobilization of workers, their elected officials and management cadres to organize enterprise management democratically and take care of the external constraints that hinder production development. For the production and management battle that will increase our economic independence is essentially fought within the production unit.

And this is why workers' interests and national interest are inseparable.

Thus, the foundations of the new wage policy have been set since 1979. Temporary measures have been adopted. Tons of application texts have been promulgated,

pending the keystone of the new system, the nationwide job classification. Gaps are beginning to disappear. The positive effects of the new policy on productive work are progressively becoming apparent.

But although the application texts have been followed in several sectors, where they have increased production, they have been delayed in other sectors and this has had repercussions on production and management. Yet, the means to implement these texts exist, both organic and political means, organizations to implement the socialist management of enterprises, dialogue, consultation.

The introduction of the new wage system should revolutionize the prevailing situation, which was marked by inequalities, and it will require the mobilization as well as the intervention of all those who play a part in the development process, first of all the workers, their elected officials, management and cadres.

For the implementation of the General Workers' Status should play a considerable part in the country's economic growth and in the struggle to consolidate our economic independence while protecting and raising our purchasing power and enhancing the value of our production apparatus.

9294

CSO: 4519/38

PEOPLE'S ASSEMBLY CHAIRMAN DISCUSSES DEMOCRACY, LEFT, ISLAMIC FORCES

London AL-MAJALLAH in Arabic No 195, 5-11 Nov 83 pp 23, 24

[Interview with Sufi Abu Talib, chairman of People's Assembly, by 'Amr 'Abd-al-Jami': "Sufi Abu Talib to AL-MAJALLAH: The Influence of the Opposition in Egypt Is Limited"]

[Text] 117 years have elapsed since 25 November 1866, start of the first ordinary session of the first legislative council in Egypt, the Consultative Assembly of Deputies. Since that date, Egypt's political life has been revolving, one way or another, above the arenas and halls of parliament. Even in times when the constitution was suspended and parliament was dissolved, it has constantly remained the hope to which Egyptians attach themselves in order to create the upright legal system which is known to political science as one that derives its legitimacy from the legitimacy of existing institutions and the constitution. The issue of democracy has not been raised at any point in the history of Egypt the way it is being raised now. Everyone is talking, in a whisper, in argument, and at some times in screams, and closely following the 1984 parliamentary campaign to see if it can translate this great freedom that Egypt is experiencing now into a parliament brimming with opinions and free debate. Everyone is watching to see whether the parliamentary campaign will be the beginning of the change that has long been spoken of, or whether the parliamentary campaign will be a political translation of the change that has occurred slowly. In Egypt they cite a common maxim, "Under the rotunda is a sheikh." AL-MAJALLAH has chosen to talk with the "sheikh" who sits under the rotunda of the People's Assembly, the Egyptian parliament, Dr Sufi Abu Talib, and this conversation took place:

[Question] For a period of more than 100 years, the Egyptian election system has been founded on the election of the individual, in one form or another; why the trend toward the system of relative lists, for the first time, in the coming elections?

[Answer] There has been a great deal of argument on this issue in all the countries which strive for a real representation of all their political and social forces in parliament. Every system has points for it and points against it; there is no system that is 100 percent right or any system that is 100 percent wrong. The soundness of a system can be judged only through the results

of applying it. In a country like France, you can find that elections are held on one occasion by relative lists and on another occasion by the system of the individual, and that it changes its system in accordance with the requirements of its circumstances. Another country such as Italy adopted relative lists after having followed the individual system. Germany combined the two systems. What has happened in Egypt is that the opposition started to raise the question of the election system and talked about, and requested that it be by, relative lists. The ruling majority party had no choice but to accept this challenge.

[Question] But don't you consider that the 8 percent that is specified as a minimum for representation in parliament in the coming elections might be beyond the power of some opposition parties?

[Answer] Real parliamentary life cannot be supported unless it can realize two conditions: first, that there be an opposition that is quantitatively and qualitatively strong, and second that there be general issues around which the voters can rally and in which they can strike a balance among the parties' various programs. If the exercise of democracy cannot bring about this climate, there will be no parliamentary life. The number and the effect of the opposition will be if it cannot meet the condition of the 8 percent.

[Question] This prompts us to wonder about your view of these parties. Do you consider that these parties represent the whole of Egyptian society?

[Answer] The lessons of history have taught us that it is easy for us to build an authoritarian system on the ruins of a democratic one, but that it is more difficult for us to build a democratic system on the ruins of an authoritarian one. The circumstances of Egyptian society were destined to go through very rapid developments in the course of 30 years, and all the intellectual currents these changes brought to the fore exist in actual conditions and have coexisted, indeed even taken part, in the game of the political struggle. The 1952 revolution has enemies from the pre-1952 society and the people who were involved in the nationalization measures. These people represent one current. There also is another current, which represents the 1952 revolution in its pristine purity and chasteness. When the centers of power appeared, as a result of the 1967 defeat, the enemies of the July revolution appeared from within itself, and that was another current. When President al-Sadat came and established the democratic system on the basis of the 1971 constitution, a liberal current emerged within the 23 July revolution. One can summarize all these currents in three: the pre-1952 current, the current of the power centers who anointed themselves with 'Abd-al-Nasir and called themselves "Nasirists," who were in reality the authoritarian current, and the third current, which was the liberal current which appeared with May 1971. That is, there are three opposition currents, but they coexisted. You can add two other currents to these -- the Islamic current and the current of the communist left. The latter current was shrewd and managed enter into the society's political and people's organizations and ride the wave. The Islamic current refused to be assimilated into these currents and refused to enter into any of the legitimate channels that existed in the society.

The Islamic Current

[Question] In this manner, you are raising two notions, the "struggle within the system" and the "struggle over the system." While the leftist current accepted the "struggle within the system," the Islamic current insisted on the "struggle over the system."

[Answer] Exactly. The members of the Islamic current refused to enter into a single organization at the time of the Arab Socialist Union or to enter into the numerous organizations in the era of the parties. As a result, they pursued a platform that was remote from the proper Islamic one, and sought to realize it not through legitimate channels but through the channels of force.

[Question] Isn't the reason for the presence of groups outside the context of the legitimate channels the schizophrenia in perspective of Egyptian political coteries? You define the Nasirists, for example, as a group of bureaucratic partisans who were present in the regime after 1967, those who were later known as the "centers of power." However, some other political forces give a different definition of Nasirists, while the ruling National Party says no. I represent the 23 July revolution.

[Answer] The currents of the July revolution and the 15 May revolution complement one another. There is supposed to be a single current which continues and corrects itself by itself. However, those who reject the correction and want to keep the July revolution imprisoned in the consequences of its application of the authoritarian system, then call themselves Nasirists, these people in reality want a portion of the 1952 revolution and anoint themselves with 'Abd-al-Nasir in it. If we look deeply into the matter, we will find that the May revolution, with the corrective principles it brought forth, was derived from the 30 March 1978 declaration which 'Abd-al-Nasir issued. Of course, all human systems correct themselves through application and practice, and if 'Abd-al-Nasir has been alive he would have done what al-Sadat did. The same schizophrenia has been apparent in the Islamic current. The whole Egyptian people are supposed to be an Islamic current, but they sought to freeze the situation with the portion they wanted in order to impose specific social principles or political positions, and they isolated themselves in a strange schizophrenia where they adopted these ideas and renounced the people who did not want to rally around them. What I want to say is that the Egyptian political stage includes various political and social forces, some of which have great weight and others of which do not have such great weight, some of which have enrolled in existing legitimate channels in terms of thought and application, the group of parties which appeared within the Socialist Egypt Party, the Liberal Party, the Labor Party, the National Democratic Party, and others, all of which are parties that have proceeded in legitimate channels, and groups which are parties that have proceeded in legitimate channels, and groups which work outside of the legitimate context and are pleased to fabricate a form of schizophrenia so that they can give themselves the right to participate in the political game as representatives of goals and principles which are basically the goals of the legitimate parties and groups.

[Question] Do you consider that these parties which emerged from the guise of the Arab Socialist Union are an expression of theoretical political subdivi-

sions, "right," "left" and "center," or an expression of social classes which have an obvious relationship to the ownership of the means of production?

[Answer] I would not break society down in terms of the ownership of the means of production. That is a Communist idea!

[Question] But when the Conservative and Labor Parties arose in Britain as an expression of the people who owned the means of production and the people who worked in service of these owners, or as an expression of companies and unions, that was not an expression of a communist idea, but rather of a parliamentary democratic system.

[Answer] I would like to state that there is a "particularity" to the Egyptian system which keeps it from being comparable with any recognized system. One point which we ignore, intentionally or unknowingly, is that all the parties which have appeared in Egypt have assumed the framework of a single ideology, "democratic socialism." Therefore, there is no basis for comparing the parties in Egypt with those in Britain or France. These countries have managed to have most of their domestic forces represented in a party political framework. They attained democracy after lengthy experiments, and managed to draw up parties with different philosophies and ideologies embracing all the classes of the society. In Egypt, however, as a result of our transition from an authoritarian system to a party system, there was a transitional stage of platforms first of all, then parties second of all, in the context of a single ideology, call it what you want. However, by carrying on on the basis of the contents of the constitution, a party cannot violate the basic values and principles cited in the law or the constitution, and consequently we are subject to a single ideology, although the difference is in the application. Therefore the application cannot go beyond five possibilities, right, left, center, center right and center left. Therefore it is not permissible for example to damage the social peace by establishing parties which are expressive of a class of the society, such as workers, landowners, Moslems or Christians. Thus, about 3 years ago we entered a stage of stability which brought three groups to prominence on the stage now -- a political, social economic force which has legitimate representation, a second force which has refused to follow the legitimate avenues, and a third force which had the intention of entering all legitimate channels but harbored other ideas.

[Question] In your capacity as one of the theoreticians of the July revolution and the May measures and one of the participants in the political game, is it possible to respond to a query on the possibility for party expressions of the forces that exist outside legitimate channels to emerge at the current stage?

[Answer] In the current stage, that is not possible. Anyone who wants to make change, if he believes in change, must strive for it through the avenue of quiet democracy and enlist himself in one of the legitimate existing channels. If he obtains the majority of votes in the elections, he can change the constitution, because that is then his right. The danger is that people want to change the principles without following the democratic method, and that is a threat to society.

[Question] However, the experience of the legitimate political forces (the opposition parties) shows that it is almost out of the question for them to achieve a parliamentary majority in the context of the electoral and legal conditions that prevail now.

[Answer] We are a democratic socialist country and 80 percent of the services are in the hands of the government. Therefore, the citizens automatically want to get along with the system of the party which provides them with these demands and services, and that is the party which is in charge, of the government in the country. Therefore, the overwhelming majority has been in the hands of the National Party. Other parties (the opposition parties) will naturally try to put themselves and their parties in the place of the ruling party. Since they cannot do so by correcting the errors to which the ruling party succumbs or prevent it from committing errors, they therefore have hopes that that might prompt deputies to stand alongside them in the coming elections.

The Opposition and the Elections

[Question] However, what is your view on the opinion the opposition is stirring up on the elections, pointing out the way in which the 1979 parliamentary elections were held, especially since it is raising this a short time before the 1984 elections?

[Answer] What do you mean by the way in which the 1979 elections were held?

[Question] I mean intervention by the civil administration, through fraud in some cases.

[Answer] Excesses occur in any country in the world, in Britain or in France. If the opposition can guarantee the loyalty of the voters, then oversee the process of the elections with its representatives, as the law provides, at that point it can guarantee the propriety of the election process.

[Question] Don't you consider that the new system of elections entails injustice to the independents?

[Answer] The independents can join one of the existing parties. That of course will strengthen the opposition parties, and, in my opinion, the stronger they become, the greater my confidence in the exercise of democracy, which as I have stated requires a strong opposition, will become.

[Question] There are supposed to be diverse theories and views within the National Party itself. Thus wings of the party, on the right and the left, will of course become closer in their views to the opposition parties. Is that happening?

[Answer] Of course, that is a natural consequence. The National Party is a great party, and there are currents within it, some of which are on the far right, which are close in their views to the people on the right, and some of which are on the far left and are close in their views to the people on the left. I am one of those who believe in the need to hold a constant dialogue

between the leaders of the National Party and the leaders of other parties. This is logical, because we have come from a single party and are committed to a single ideology!

[Question] Since we have come to this point, isn't it possible, then, for the opposition parties and the ruling party in Egypt to arrive at something resembling a general formulation for a maximum and minimum in whose context they can hold a political debate while committing themselves to strategic points, instead of the terrible excesses on both sides?

[Answer] Of course that is the basis of our dialogue within the National Party, and it occurs every day on numerous important matters. In addition, there is a dialogue between the leaders of the National Party and the leaders of other parties. This is logical, because we have come from a single party and are committed to a single ideology!

[Question] What is your opinion on an opposition recommendation on a neutral transitional cabinet which will supervise the holding of the coming elections?

[Answer] In the democratic systems which we see all over the world, we find that the cabinet which is in power is the one which holds the elections; some of these cabinets do not win, but leave government, and the cabinet changes. In Egypt there are precedents for that, such as the elections Yahya Pasha Ibrahim's cabinet held, in which Yahya Pasha lost. Second, the opposition parties have the right to demand every guarantee to make the elections clean ones. We can take, for example, the 1976 elections in Egypt; has anyone talked about those? Not at all. Who held them? The Egypt Party, which was in the majority. I can assert that the greatest guarantee of the probity of elections is the opposition parties themselves!

[Question] Am I to understand from that that you hold the opposition parties responsible for the fact that the 1979 elections were not clean?

[Answer] I believe that to be the case. Anyone who does not win the elections always casts the blame on the other party.

[Question] So assuming that I am an opposition party, what must I commit myself to so that the elections may proceed in a clean manner?

[Answer] You must be aware, you must have representatives on the election committees, and you must win the voters over to your view in a manner which the voters will accept, where what you present them will be in keeping with the principles you declare.

[Question] How would you define the relationship between the cabinet and the parliamentary board of the National Party? To what extent does the parliamentary board of the party have the power to direct the cabinet's policies?

[Answer] The normal situation is that the parliamentary board of the National Party has the first and last word.

[Question] What is the situation that is in effect now?

[Answer] It often happens that the government changes many things, on the basis of points the deputies in the parliamentary board raise. An example of that is the matter of the relative lists. Changes were made in those as a result of the points the deputies raised in the board. By the way, people who point to a congruence between the positions of parliament and the government, stating that this is a "yes-man's" parliament," ignore the nature of parliamentary life and the parliamentary system. Every cabinet belongs to the majority in parliament. Since the cabinet and the majority are the same thing, it is normal that each of them should say yes to the other.

[Question] Frankly, does the Consultative Assembly have a real role in Egyptian legislative activity now? What is the nature of the relationship between the Consultative and People's Assemblies?

[Answer] Some people say that it is necessary to change the Consultative Assembly's format to that of a senate. However, I, personally consider that we should leave it as it is for 3 years until its term ends (after 6 years). After that, it is possible that the extent of the need for changing the system so that it can be transformed into a senate will be apparent. However, I am certain that the Consultative Assembly has made many achievements and has assisted the People's Assembly with cogent opinions throughout the period of its existence.

[Question] Will you enter the coming election campaign, and do you expect to be chairman of the People's Assembly?

[Answer] These questions lie within the supernatural!

[Question] Do you consider that there is a justification for a Ministry of People's and Consultative Assembly Affairs?

[Answer] Yes. The nature of parliament makes it inevitable that the cabinet be responsible before parliament. The cabinet is responsible before parliament and the Ministry of the People's and Consultative Assemblies provides coordination [between them].

11887

CSO: 4504/62

TRADE WITH ARAB STATES REVIEWED

London AL-SHARQ AL-AWSAT in Arabic 6 Nov 83 p 7

[Article: "Egyptian Ministry of Trade Reports Trade Movement Between Egypt and the Arab States Has Developed Despite the Severing of Diplomatic Relations"]

[Text] Statistics made public in Egypt by the Ministry of Trade make it clear that during the period in which diplomatic relations have been broken off between Egypt and the Arab states, the movement of trade has not been affected by political factors. The economic report made it clear that if 1979, which is the year that diplomatic relations deteriorated, is considered the benchmark for the development of trade relations, we would find that the volume of trade that year amounted to 177 million pounds, of which Egypt's exports totaled 109 million. This was a surplus in Egypt's favor of 41 million pounds. In 1980, the volume of trade increased to 329 million pounds, with a balance in Egypt's favor of 181 million pounds. The increase in Egyptian exports that year was due to the Egyptian oil deal made with the People's Democratic Republic of Yemen valued at 174 million pounds, after which trade returned to its normal rate. In 1981, about 218 million pounds were recorded, with a drop in Egypt's surplus to 4 million pounds. However, in 1982, a new increase occurred, with the volume of trade reaching 258 million pounds, of which 156 million pounds were Egyptian exports and 102 million pounds were imports from the Arab states. The trade surplus increased to 54 million pounds in Egypt's favor. Therefore, the figures show that the volume of Egyptian-Arab trade has increased 200 percent compared to 1975 or 100 percent compared with 1979.

The Egyptian Ministry of Trade clearly indicates that despite this development, it was possible for the movement of trade to increase and double. The surpluses have varied, but most of the Arab states took care to separate politics from commerce. These relations have flourished; this was the case with regard to Saudi Arabia, Kuwait, the UAE, Lebanon and Sudan.

With regard to Saudi Arabia, the volume of trade in 1978 was about 27 million pounds, with Egypt saving an imbalance of about 5 million pounds. However, the figure jumps to 56.5 pounds in 1979, with Egypt earning a surplus of 9.5 million pounds. In 1980, the volume rose to 72 million pounds, although Egypt's surplus dropped to only 6 million pounds.

The volume of trade in 1981 jumped to 93.5 million pounds, and the balance in Egypt's favor went to 18.5 million pounds. The volume in 1982 reached 96 million pounds, with Egypt earning the largest surplus in the history of trade relations between the two countries, amounting to 23 million pounds. As for Kuwait, the volume of trade between the two countries originally was minimal, not over 1 million pounds a year. In 1979, we find that it reached nearly 11 million pounds, with Egypt having a slight imbalance. However, in 1980, Egypt registered a surplus, although it was less than 1 million pounds, while 1981 was much the same as the previous year. However in 1982, while registering the same volume of trade of about 11 million pounds, Egypt earned a surplus of about 5.6 million pounds.

Regarding the United Arab Emirates, Egypt's trade some years did not exceed one-half million pounds. However in 1979, the volume of trade was about 5 million pounds. This figure was almost constant in 1980-81, but in 1982 Egypt's surplus was about 2.2 million pounds.

Despite Lebanon's tragic circumstances, Egypt's trade with it, which had reached 37 million pounds in 1975, dropped to 18 million pounds in 1976 because of those special circumstances. Despite the deficit that Egypt had, a balance between imports and exports was achieved in 1980. Activity was restored to the trade relations between the two countries in 1981. Volume rose to 44 million pounds, and then to 40 million pounds in 1982, although Egypt's imports were double its exports to Lebanon.

As for trade relations with Sudan, they are on a wide axis. There is the official trade exchange, and then there is the exchange in the "area of integration" on the borders of Egypt and Sudan, in which a commodity exchange takes place among merchants, estimated at about 30 million pounds a year. However, the volume of trade between the two countries increased 100 percent during the years 1978-82, amounting last year to 77 million pounds. Despite the fact that the deficit was not in Egypt's favor, Egypt last year, for the first time in years, achieved a surplus of about 16.5 million pounds.

On the other hand, there are Arab states whose trade relations with Egypt have been affected. They include Syria, Libya, Algeria and Jordan. There is also Iraq, unless we discount the recent development in its relations with Egypt, especially the exporting of Egyptian arms, which do not show up on the lists of commodity exchanges. Egypt as a supporter of Iraq is conscious of Iraq's role in its national freedom against the Khomeyni madness coming from Iran.

Egypt's trade with Syria was about 22.5 million pounds in 1978, dropping the following year to 13.5 million pounds, down to 5 million pounds in 1980 and the same amount in 1981. The volume stopped at 364,000 pounds of imports and exports in 1982. Egyptian-Syrian trade produced a surplus in Syria's favor each year, which in normal circumstances amounted to 11 million pounds.

Jordan's trade volume fluctuated between 3 and 4 million pounds a year. However, in 1978 it registered about 9.7 million pounds and then rose to 12.2 million pounds in 1979, with a surplus of 7.5 million in Egypt's favor.

Relations began to deteriorate, so that by 1982, the trade volume was no more than 338,000 pounds worth of imports and exports.

As for Libya, it began to curb its trade relations with Egypt some time ago. The volume dropped from about 12 million pounds down to 5.5 million in 1977 and, in 1979, reached less than 1 million pounds. It remained at 164,000 pounds in 1981, and then doubled in 1982, amounting to 339,000 pounds. Generally speaking, Libya has cut off imports from Egypt since 1977, when it dropped from 8.3 million pounds of Egyptian exports to less than 1,000 pounds in 1980.

With all of Algeria's previous diplomatic ties with Egypt, the volume of trade up to 1978 fluctuated between 9 and 10 million pounds, with a trade balance in Egypt's favor of between 3 and 5 million pounds. However, the volume of trade dropped in 1979 to less than 1 million pounds, and then dropped the next year to 33,000 pounds. It then increased to 216,000 pounds, and in 1982, recorded a volume of about 2 million pounds.

Iraq's volume of trade hovered around 14.9 million pounds in 1977, increasing the following year to 18.4 million, with a surplus of about 4.1 million pounds in Egypt's favor. However, the volume declined in 1979 to 6.3 million pounds, dropping to 2.2 million in 1980, 1.6 million in 1981 and approximately the same amount in 1982. However, Egyptian exports did record an increase from 15,000 pounds in 1981 to about 466,000 in 1982.

It should generally be noted that the countries that reduced their trade with Egypt have begun to gradually increase the trade exchange. This applies to Iraq and Algeria, with the same thing happening with Morocco and Tunisia, since trade with these two countries was only affected during 1980 and 1981. However, 1982 registered an increase over the amounts for those 2 years.

7005

CSO: 4504/61

PROBLEMS, ANOMALIES OF BREAD SUBSIDY PROGRAM REVIEWED

Cairo AL-AHRAM in Arabic 31 Oct, 1, 2, 3 Nov 83

[Article by Shuwaykar 'Ali, Muhyi-al-Din Fathi and 'Abd-al-Wahhab Hamid:
"Subsidies and Bread Discs: Where Do They Go -- To the People Entitled to
Them or the People Who Exploit Them?"]

[31 Oct 83 p 9]

[Text] When the government began turning to subsidize the prices of some basic commodities, by lowering their prices on behalf of the broad limited-income base of the citizens, the intention actually was to care for the toiling members of the public, and not the people who traffic in the people's sustenance, or to direct these commodities, or exploit them, in private projects benefiting their owners only. The amounts spent on subsidies then leapt up, progressively, from a few million pounds in the sixties to close to 2 billion in the mid eighties. About 1 billion pounds are being allocated for bread discs alone. In the context of the economic view, subsidies are necessary as a social component of economic and social development. There is no dispute over that, and there is no dispute, either, over the fact that subsidies do not reach the people who are entitled to them. Therefore, the issue now is, how can the government find a way to get subsidies to the people for whom they are intended? We would not say that the issue is being presented as a novelty; rather, it is an ongoing problem, since it has not yet been solved.

When President Mubarak said, a week ago, in his statements before the journalists:

"We are now thinking of a better way to guarantee that subsidized bread gets to the people who are entitled to it and not to people who exploit it for other uses, such as fodder and flour subsidized for halva," that meant that the government has to eradicate this problem, whose manifestations are no longer being accepted by any citizen. Because the price of bread discs is still much less than cost, it has become a familiar sight, as a result of the mediocre level of bakeries, to see citizens crowding around them not for purposes of human consumption only but also to procure fodder for animals, because it is much cheaper than fodder. Indeed, some people turn around and

throw the surplus bread they buy out in the garbage cans. In all, this means that we are burning up the subsidies the government budget defrays with the garbage. Because the issue is related to everyone, before the government takes its decision, the Economic Page, once again, is opening the dialogue, to continue the discussion on the most important economic and social issues. What is the opinion of the man on the street? What is the opinion of the government employees? What is the view of the people in private professions? We asked all of them; the dialogue was open and the discussion is continuing, in order that the subsidies will not be squandered.

Mustafa Shukri, the first deputy minister of supply in the Governorate of Alexandria, says that the rise in the price of bread must approach its real cost, so that the budget may reflect real conditions. When the government says that the bread will be improved, that must actually become the case, so that confidence will be imparted to every decree it makes. These are sensitive commodities, and it is necessary that they be handled in the proper way, which means, in practice, that it is necessary to make automation a general feature through this industry. In order to achieve this, the government can impose on the people venturing into this industry the requirement that it be mechanized. The government has a large part to play in this, which is to facilitate easy-term loans for the acquisition of automated bakeries. It is observed that imported automated bakeries can produce what five hand-operated ones produce. An example of that is the fact that the automated bakery in al-Dukhaylah produces 6,000 discs per hour. Technicians only must work in these bakeries so that the lives of the bakeries may be prolonged.

Mustafa Shukri adds that Alexandria has 704 bakeries, just 54 of which are automated and semi-automated. These belong to the two milling companies and the governorate's semi-automated bakery project. The private sector's share of flour is 10,481 100-kilogram sacks a day, and the bakeries' average bread output is 10.14 discs a day, which of course exceeds the normal consumption of the governorate. The reason for that is that the surplus is directed to millions of summer vacationers, and there is no tightness in bread supplies during the summer.

In the winter production drops, especially in bakeries in areas which do not have large crowds of summer vacationers.

Concerning the groups that are entitled to subsidies, we find that these groups, which are represented by classes with fixed incomes, consist of workers in the public and government sectors, and people on pensions, al-Sadat pensions and social security. Mustafa Shukri says that the best way to get subsidies to the people who are entitled to them is to increase these groups' wages and salaries so that it will be possible to create a balance between the prices of the commodities and these salaries, while supplying the necessary commodities on which subsidies have been eliminated, retaining them in the markets, and setting their prices. From practical experience, it has been proved that a proliferation of prices for a given commodity eliminates its proper use and provokes a contest among groups to obtain the commodity at the lowest price at one another's expense.

We also find that the system of commodity subsidization increases consumption. This is clear with bread: if bread of good specifications is produced, one third the amount of wheat and flour will be saved. In addition, the subsidies that lead to the reduced price of bread cause its specifications to tend to decline, and large amounts of the bread become unfit for human consumption and are thrown into the garbage, whereas, if bread production were good, the price of the bread rose to an appropriate level, and bread of good specifications was produced, production would decline and consequently the subsidies the government defrays without justification would decline.

The citizen 'Abd-al-'Aziz Murqus, in the private sector, says that people who buy a disc of bread for a piaster are government and public sector employees and people on fixed incomes, not craftsmen or people in the liberal professions, because the latter do not have the time to stand in lines before ovens waiting for their shares, and their incomes enable them to buy bread for as much as 5 piasters, bread which enjoys great popularity, especially among the working classes. He says that if one assumes, on the basis of actual costs, that a disc of bread costs about 3 piasters and consequently the government pays more than 800 million pounds in subsidies for bread, what would happen if these subsidies were eliminated, so that no more than 200 million pounds of these subsidies were distributed to subsidize public and government sector employees and workers and employees on retirement through the disbursement of specific bonuses, along with their salaries, or disbursement of a cash allowance estimated at about 10 pounds a month, for instance, and bread was sold for 3 piasters a disc, provided that there was an actual improvement in production?

In this manner, we would be able guarantee that subsidies reached the people who were truly entitled to them and that we would save the government a very large amount. Here it is not right for any consumer to protest against an increase in the price of bread, because the incomes of craftsmen and others are now greatly in excess of those of ministers, and indeed some businessmen; as a result of this resolution, most rural areas will resume manufacturing bread, and the pressure on towns to buy readymade bread instead of making it in homes because its price is lower than if it was processed in their homes would be reduced.

Dr Yunus al-Batriq, professor of economics at the University of Alexandria, says that the costs of bread sold to the consumer for 10 milliemes come to 25 milliemes; here the government pays 15 milliemes for each disc of bread. This difference is to be considered a large financial and administrative burden on the government, although the notion of subsidies, in the case of bread and other foods, changes as society advances and the consumption patterns of the people in general change, so that the problem of bread becomes a problem of food, unlike other [commodities] according to the old notion. It is Dr Yunus' opinion that subsidies on goods must be distributed according to the modern priorities that are in keeping with the pattern of consumption and the level of culture and civilization. He observes that progress in culture and civilization in the country has not put bread at the level of priority of goods which require subsidies.

Farmers are one of the elements which raise the level of wheat consumption. An example of that is that the price of a kilogram of wheat is 5 piasters, while we find that the price of a kilogram of hay is 15 piasters. This prompts the farmer to mix the hay and the chaff with the wheat, because that is to his advantage.

In addition, it is no secret to the reader that returned bread (bread which remains from the previous day's baking) goes to poultry farms and livestock growers at prices which are greatly in excess of the price of fresh bread, prompting some ovens to keep the bread and sell it the next day at a large profit.

At this point, it is necessary to reschedule the priorities among commodities which the government ought to provide for the citizens at appropriate prices; there is no doubt that bread does not head the list of these commodities, as a result of the change in lifestyles and as a result of the social development which has occurred in the society, so that the basic needs of the citizen now go beyond the problem of bread. In addition, it is necessary to reschedule and rearrange the groups which are entitled to subsidies, since the social structure in Egypt has changed in the past 2 decades, and the apex and base of the pyramid of income levels are now different from what they were in the past.

The groups that are entitled to subsidies, in the view of Dr Yunus, consist of:

1. Employees of the government and the public sector, and private sector employees.
2. Owners of small farm properties who do not work those by themselves.
3. Owners of real properties which were built a long time ago, and [whose rents] were fixed at a particular year.

If committees that are formed by the government are enabled to make these determinations, it will be possible for the government to achieve greater justice in the distribution of subsidies and come up with further resources for spending in different areas that serve society, such as housing, education and health, where the productivity of spending has declined.

In addition, here the government will make savings in the subsection on administrative costs, which are very high, because of the subsidy process, which starts from the first transactions to purchase wheat and proceeds until the bread is distributed readymade to the consumer. These administrative burdens cost a great deal, and this weighs down the government system.

Finally, the professor of economics says that it is necessary to limit the expansion of subsidization policy and to set about returning to the normal situation by providing commodities at prices which are in keeping with their real economic costs. This process must go through a preparatory stage in which the government will restrict subsidies to limited groups which the government considers are more deserving of care than others in accordance

with sound scientific studies and realistic thinking, at which point subsidies will be reduced from their present form, which has burdened the government financially and administratively.

[1 Nov 83 p 9]

[Text] Subsidizing bread in Egypt is a part of the problem of economic subsidization which has arisen in the country as a reflection of the circumstances the Egyptian economy has gone through and has assumed economic, social and political dimensions.

In the context in which subsidization policy is carried out, which is embodied in the fact that it does not, in the case of most commodities, permit the determination of the quantities to be subsidized, which are not connected to income levels, along with its numerous direct and indirect, implicit and concealed forms, its negative effects, both economic and social, have become numerous. Therefore, it becomes essential to extend the vision of the problem of subsidies in its entirety.

Dr 'Abd-al-Mun'im Radi, economics professor at 'Ayn Shams University, says that we must begin by studying the system for distributing subsidized commodities in Egypt. It is clear in Egypt that the system of giving subsidized commodities to everyone accounts for about 70 percent of the total subsidies that everyone, rich and poor, benefits from. People possessing supply cards or farmers benefit from the remainder, which accounted for about 30 percent on the average in the period from 1973 to 1980, although some of them might not be entitled to these subsidies.

This means that the use of subsidies might be deleterious to the goal of equity, when some individuals are given buying power which is much greater than that for persons who really are entitled to aid. In addition, subsidies are deleterious to social equity among areas, since Greater Cairo alone is allocated about 40 percent of the subsidy commodities, while the other governorates are allocated 60 percent, and most of the latter goes to districts and towns in the governorates to the exclusion of the other areas of the republic.

Regarding the effect of consumer subsidies, about 88 percent of the total declared subsidies are considered consumer subsidies. In view of the fact that the ratio of subsidies to the cost of the commodity reaches a very high level, perhaps about 83 percent, as with the commodity of bread, and is no less than two thirds of cost with most subsidized commodities, this inspires one to believe that subsidies in kind thereby lead to illogical increases in consumption in which it would have been possible to make economies had their form been different, because they represent a blatant invitation to overconsume. These increases might be attributable:

Either to a change in patterns of consumption, in favor of the subsidization of classes which consumed these goods only because they were subsidized, an example of which is the transformation in rural people's consumption from corn to wheat, where the change in consumption patterns depends not just on subsidy commodities but also goes beyond that to the direction of savings

toward necessary spending or the direction of the portion of savings that has been freed up because of subsidies toward luxury consumption;

Or to the abuse of subsidized commodities such as bread, bottled butane and electricity.

Dr 'Abd-al-Mun'im Radi goes on to say: "Subsidization has an effect on production incentives as well. Subsidies in kind make matters frozen and freeze prices, causing the Egyptian economy to lose its incentives to increase exertion, work and production. Subsidization also has an effect in obstructing the pricing system and preventing it from performing its basic function of equitably allocating scarce resources, in addition to influencing the balance of payments, because there is no setting of limits on subsidized commodities on the one hand and there is an increase in the use and consumption of subsidized commodities. Subsidization also has its effect in increasing the deficit in the general government budget, especially the net deficit, and the contribution to increased inflationary pressures which arises from that."

How can one set out a strategy for dealing with the problem of subsidies in Egypt, then?

Dr 'Abd-al-Mun'im Radi says,

"The alternative to subsidization in kind is subsidization in cash. This alternative is distinguished by the fact that it can be directed toward the entitled consumer without intermediaries, which is a guarantee that it will reach him in full, and consequently will succeed where subsidies in kind, which do not reach the persons entitled to them in the expected form, might to a large extent fail. In fact, the cash alternative will work to prevent the people who are not entitled to it from benefiting from it, and that is a great advantage, in addition to its flexibility. In order to preserve the incentives and the possibility of calculating its costs with some accuracy, leaving the consumer the freedom to choose what will contribute to his well-being, perhaps the most important problem facing cash subsidies is the one related to the amount of compensation which must be given to entitled consumers, how that should be done, and how large this compensation should be in the context of the prevailing inflation, on the one hand, and in the context of the inflexibility of the Egyptian productive system.

"One can set out four foundations or main focal points for this strategy and set out a time frame for it, which might be 5 years, as a transition period characterized by the adoption of a gradual approach, with the results to be evaluated during the period of execution, after which one can set out the necessary solutions and conceptions for the future, which are:

"1. The constant effort to guide subsidies through a gradual approach, with a full awareness of each individual commodity and its relationship to the other goods which the other sectors produce, while determining which commodities will continue to be subsidized, along with the need to get them to the people who are entitled to them and a clear, accurate definition of the groups that are entitled to subsidies.

"2. The effort, at the same time, to increase cash incomes, especially for people with limited incomes.

"3. The effort, also, at the same time, to increase investments, especially in the area of basic commodities, with the treatment of production problems that that entails.

"4. The attempt to effect constant coordination between subsidy policy and other policies such as financing, tax and pricing policy, and other economic variables."

What are the recommendations for applying this in the area of bread?

Dr 'Abd-al-Mun'im Radi says,

"It would be possible, in the first stage, to abrogate subsidies on commodities such as fine flour, then attempt to set about reducing the ratio of the subsidies to the cost of the commodity, which comes to 83 percent in the case of wheat, since this creates numerous aberrations and deliberate waste, increasing the consumption of these commodities in illogical ways. With respect to wheat and flour, one can ship the wheat by river transport from Alexandria to various areas of the country, since that is a cheap method in comparison with others, while increasing storage capacity. Bad storage ranges from 5 to 10 percent of the cost to the consumer.

"The situation also requires limiting the imports of flour and replacing it with wheat, since processing the latter domestically will save large amounts of subsidies. It is also necessary to develop and improve the bread industry in order to eliminate waste through poor processing, which is estimated at about 10 to 30 percent of the amount available for consumption. After that, it will be possible to change the sales price, and indeed differentiate in sales prices according to areas, on the basis of the characteristics of each area, and it will be necessary to give priority and special importance to investments in silos, mills and bakeries to guarantee that there is a suitable strategic reserve to cope with any emergency crisis."

[2 Nov 83 p 9]

[Text] There are numerous elements in the losses in bread subsidies. The story of lost subsidies begins at the pier in the port of arrival, where the processes of unloading the imported wheat begin, and the wheat is then transported and unloaded in silos for storage. This is one aspect; another aspect is that improving the quality of the bread, while increasing its price, will convince the consumer that he has obtained the real value for the cash he has paid to buy the bread, and that will keep him from being wasteful with what he has bought. Some people have given agreement to the notion of coupons, and some have objected to it on grounds that it represents a new cost for the administrative system, as bread is a commodity that is consumed in abundance and on a repeated daily basis, and therefore the notion is not practical. The discussion on getting subsidies to people who are entitled to them instead of those who exploit the subsidies is still going on. Dr 'Ali 'Ajwah, the vice dean of the Media Faculty, says, "We must

accept the fact that the basic bread consumer is the citizen with a limited income. We can say that the more the economic level rises, the more bread consumption in its traditional form drops. If we think about the people who are entitled to bread subsidies, we will find that they consume only a modest portion and that that does not constitute a problem as far as the economy goes, while the harm that befalls the intermediate groups and people with limited incomes constitutes an exorbitant burden on these groups, which are really entitled to subsidies."

Dr 'Ali 'Ajwah says, "However, regarding the notion of using coupons or chits to be given out to people entitled to subsidies, that in itself will constitute a burden on the competent administrative agency, because it concerns a commodity which is consumed in abundance and on a repeated, daily basis. It also represents an economic burden which is embodied in printing, preparing and distributing coupons, an activity that might seem minor but exceeds the cost of the subsidies on bread that leak out to classes and categories other than those that are entitled to these subsidies. Some people might exploit subsidies on bread for raising livestock and fowl in projects and in homes, which is actually happening, and that will lead to great economic loss. In order to prevent this damage, it is necessary to issue legislation preventing the people who abuse subsidies from doing so.

"It is also necessary to prepare a special police to oversee these projects and arrest the people who perform this work and hold them to account before the law.

"For this reason, subsidies on bread, the basic food of the Egyptian people, must not be eliminated in any event."

Dr Muhammad Ra'if, professor of economics at the Faculty of Economics and Political Science, says "Subsidies are considered a basic feature of Egyptian society, since they are a means to provide basic commodities to citizens at prices which are in keeping with income levels. This is a means for realizing some degree of social justice.

"It is possible to guide subsidies for the people who are entitled to them in numerous ways, for instance improving bread specifications via oversight, through intervention on the part of the agencies of the Ministry of Supply and the police agencies, in the area of the surveillance of bakeries, while confirming that the flour is clean and making sure of its specifications by means of the agencies of the Ministry of Agriculture and through storehouses and transportation, by improving storage and granary services for wheat and flour and preparing warehouses that meet health specifications and can adapt to vagaries in climatic conditions. This means that attention must be given to storage areas, and it also requires the intervention of the Ministry of Agriculture on an intensified basis in order to combat rats and insects, in order to avoid waste and the loss of a portion of the wheat and flour; as a consequence, this will provide some economy in subsidies."

Regarding the optimum use of bread, he says, "This should be realized through the purchase of quantities that are actually required for family consumption, while we do not resort to filling garbage cans with quantities

of bread that is wasted because of poor specifications. For this reason, it will become apparent to us that improving the bread, and having it conform to specifications so that it will be fit for human use, will result in guidance in the volumes of bread consumed." Muhammad Ra'if adds, "If the abrogation of subsidies is the alternative, the price of bread discs on the average will be 5 piasters, and therefore the recommendation of the cash alternative for people with fixed incomes and some other groups with limited incomes has arisen. Accordingly, a sectoral study is being made of these groups' bread consumption patterns to determine the appropriate amount of per capita bread consumption per day. By learning the number of people in the family, it will be possible to arrive at an approximate figure for the cash alternative.

"The value of these groups' daily consumption will be calculated in accordance with the economic price of the bread, on the basis of real costs. At the same time, the government will set a social price on whose basis the categories mentioned above will be calculated relative to the volume of cash subsidies.

"The government will defray the difference between the social price and the economic price in the budget as a subsidy. Therefore, the financial burden on the government budget will be determined in the light of the economic price of the bread, one of whose most important factors is the cost of imported wheat. This price can be reduced by devoting added attention to improving wheat productivity by the various means being discussed now."

Dr Muhammad Ra'if says that recommendations have been made for distributing coupons to people with fixed incomes in their various sectors; by means of these, the bread will be bought at the subsidized social price. However, a number of questions arise on the criterion for the distribution of coupons and the means for guaranteeing that these coupons are not siphoned off to other groups which are not entitled to bread subsidies, with the attendant corruption and other matters.

How long will subsidies remain like this, without guidance or direction, so that exploiters can benefit from them in the absence of attention from officials? In this respect, the bodies concerned which are responsible for subsidies must act, lest social justice disappear from our midst.

[3 Nov 83 p 9]

[Text] Getting subsidies to the people who are entitled to them is a complex issue with many ramifications. Its various features are connected and it is not possible to separate any of them from the others. It is an economic and social issue and a review of it must take the integrated nature of these links into consideration.

The subsidization of bread is one of the features of subsidies and the government treasury defrays hundreds of millions of pounds for it. While there are loopholes in getting subsidies to the people entitled to them, it is certain that a large part of the subsidies goes to a large group and class which is entitled to them, and could indeed ask that they be

increased, in view of social circumstances and the insane rise in prices! On the other hand, we can find that part of these subsidies do not go to the people entitled to them -- indeed, they go into the pockets of an exploitative class which gets rich at the expense of the Egyptian economy. Since part of the bread subsidy goes for livestock and poultry fodder, the Economic Page went out of Cairo to ask the base of the masses why they view subsidized bread as animal fodder, when they know it is for human consumption.

At the outset Mr Muhammad 'Abd-al-Majid, chairman of the local unit in Kafr Abrash, al-Sharqiyah, said, "The subject of the drain of bread into poultry farms and feedlots and its diversion from its purpose may in the first place be attributed to crises in the provision of fodder, since in recent years the price of fodder has risen in a terrible manner. This has resulted in a rise in the prices of meat, which in turn has led many growers lacking awareness to discover that the prices of bread, indeed of flour, are very much lower than those of fodder, and to use that as an alternative or an auxiliary element in fattening projects." He asserted that this class was not large, and indeed that there were others who refused to traffic in the people's livelihood.

The chairman of the local unit stated that it was necessary to work constantly to provide fodder for major growers and small ones, since the problem of small growers working out of houses, who do not have the legal minimum volume to [qualify for] livestock insurance, acquire fodder or acquire financing for their small poultry rearing projects, [is that] some of them may resort to the use of subsidized flour or bread to feed animals or fatten poultry.

The agricultural engineer Muhammad al-Saddawi, director of the department of self sufficiency in food in the Agricultural Credit Bank, said that the appeal to guide bread subsidization must be accompanied by another appeal, which is to guide the use of bread and remedy bread losses. This would save a large portion of the subsidies without adversely affecting the large class of people with limited incomes, and this could be realized by turning traditional bakeries into semi-automated bakeries to remedy the poor quality of the bread and speculation in bread weight. If the quality of the bread is good and its specifications are uniform, that will help to a large extent guide the use of it and remedy the losses in it.

He added that it is possible to review the price of bread so that it sells for 2 piasters instead of one, after the first stage of improving bread specifications. This will also help alleviate the subsidies the government defrays, which generally go into the pockets of exploiters. In this case, it will be possible to distribute the difference of the subsidies in cash among the salaries and pensions of entitled workers and this will put a limit to the government's sufferings from subsidies, which are increasing every year at a time when bread production is deteriorating and the specifications in it are not uniform, and increased bread loss has resulted.

Mr Muhammad al-Nadi al-A'waj, an agricultural technician, said "There are loopholes which contribute directly to the failure to guide subsidies. At a

time when the government is demanding that villages turn into productive units, we find on the other hand the tendency to establish bakeries in the villages, and this in turn has resulted in the fact that the peasant, who relied on himself for everything in the areas of bread and provided services, milk, poultry and all his requirements himself, has started to go to the bakery to obtain his needs for bread." He asked, "How can the villages turn into productive units at a time when the government is providing good bread, frozen fish, frozen meat and subsidized poultry through societies which have been established for this purpose? All these tendencies have led to contrary results, and have caused the subsidies to be diverted to people who are not entitled to them."

Mr Muhammad al-Nadi added, "The patterns of consumption in the villages have changed, and subsidies do not reach the people who are entitled to them not just in the case of bread but in the case of many things such as bottled butane and the like." He recommended that subsidies be gradually abrogated if rules are not set out to guide them and guarantee that they reach the people who are entitled to them, and that the amounts allocated for them be distributed in cash to employees and people on pensions.

Shafiq Khidri Muhammad, the chairman of the Benevolent Society in Cairo, said "The subsidization of bread is an inevitable necessity, especially in the face of the great rise in prices, which causes many vexations for people with limited incomes. If there are reasons at present why subsidies do not reach the people who are entitled to them, I believe they are exaggerated. After the liberalization, a large class appeared which does not favor subsidized bread, now that it has reached a pitifully bad, deteriorated state, and they turn to the consumption of good types of bread produced by the public sector through their own resources. Most of the people who use subsidized bread are entitled persons." He recommended:

That hotels and tourist projects be assigned to construct their own bakeries, so that the government budget will not defray the subsidies in this area.

That supply surveillance over ovens be strengthened to improve the quality of the bread, since its poor quality is the basic element in the increased consumption of it.

That the construction of automated bakeries which produce bread with good specifications be expanded; these would to a large degree help guide bread consumption.

Shafiq Khidri, in conclusion, asserted "There is no time for the notion of abrogating bread subsidies, especially since subsidized bread, in its current condition and specifications, is accepted only by people with limited income, and there are pressing problems where the government could save millions of pounds to be able to make up for the bread subsidies it pays I consider that the pressing issue at the present time is increasing production, which is the only recourse for supporting the Egyptian economy and raising the level of incomes. When that is achieved, it will be possible to review the subsidization of bread."

SOCIAL SECURITY, PENSION BENEFITS FOR WORKERS ABROAD EXAMINED

London AL-SHARQ AL-AWSAT in Arabic 30 Oct 83 p 7

[Article: "5568 Egyptian Workers in Saudi Arabia in the Social Security System for Egyptian Workers Abroad"]

[Text] Among the 14,849 Egyptian workers in some 20 Arab, African, European, American and Asian countries who, so far, are participating in the social security system for workers abroad, which Cairo has put into service, some 5568 Egyptians working in Saudi Arabia have subscribed. They currently represent the largest number of Egyptians participating among all those working abroad.

This was stated by a responsible source in the Ministry of Social Insurance, who said that second place was held by the number of Egyptians working in Kuwait who were participating, a total of 3352. The number then drops to 1478 participants working in the United Arab Emirates. The figure then declines to only 52 participants among the Egyptians working in some of the Asian states.

The responsible source added that it was expected that the number of participants in the Social Security system among the Egyptians working abroad would double in 1984, compared to the large numbers currently working abroad, which are estimated at some 4 million. He said: "The Egyptian Ministry of Social Insurance wants the Egyptians working abroad to become more familiar with the system and aspects of social security, which was created to serve their interests which they were losing. Participation in it, so far, is still below the level that was anticipated."

It is worth noting that the social security system for Egyptians working abroad allows participation for workers, whether on foreign leaves of absence, leaves without pay or on private contracts.

This system grants two types of pensions:

The first type is the old age pension, which is divided into two categories. There is the pension at 60, which is earned when the insured reaches the age of 60 and his period of participation in the insurance amounts to at least 180 months, including previous insured periods and purchased periods, even if he continues in his job abroad after the age of 60.

The early old age pension: this is paid at any age, provided that the insured's period abroad has ended and provided that the period of participation in the system be not less than 240 months.

In both types of old age pensions, the value is determined by a sliding scale, along with the rate of subscription. The maximum is 200 pounds per month for those whose subscription value is more than 60 pounds a month. The minimum, in the event it is earned by attaining 60 years of age, is 20 pounds per month. There are allowances that can be added to the maximum limits of the old age pension, amounting to 4 pounds, while the allowances added to the minimum limits are valued at 5 pounds.

In the event the job is terminated for reasons other than disability or death, together with non-fulfillment of the old age pension conditions, the participant will be given lump sum compensation.

The second type of pension is total, permanent disability or death. This is earned in the event the total disability of the insured is proven, or his death occurs during the period of continuation of employment, or within 6 months of the date of discontinuation of payment of the subscription. As a condition of payment of the pension, 3 months must have passed since the beginning of the subscription. Its value is set at a minimum of 65 percent of the subscription rate or 20 pounds per month, whichever is greater. This rate increases to 80 percent, if the disability or death was the result of a work-related injury. As for the maximum for this pension, it is tied to the same system as the maximum of the old age pension.

There are allowances that are added to this type of pension, amounting to 4 pounds for the maximum and 5 pounds for the minimum. In addition, there is an allowance of 5 percent for every 5 years, in the event of work related injury. The family of an Egyptian worker abroad, who participated in one of the two types of social security, is entitled to compensation in the event of his death, equivalent to the pension for the month of his death, and the pension for the next 2 months, in addition to funeral expenses in the amount of a minimum month's pension of 50 pounds. In the event the pension of a daughter or sister is cut off because of marriage, the insured is paid a marriage compensation valued at a full year's pension.

With regard to how the Egyptian worker abroad can participate in the social security system, he can obtain an application by mail from the State Board for Social Security in Cairo or from any branch of the Bank of Cairo abroad or from the Egyptian consulates and labor offices.

The subscription amount, which is accepted for payment in any foreign currency that can be remitted to Egyptian banks, varies between two groups of Egyptian workers abroad. With regard to the first group, which includes workers on private contracts, with units of international or economic organizations inside the Egyptian Arab Republic, those who work for themselves abroad and emigres who retain their Egyptian nationality, the subscription rate which can be paid monthly, quarterly or yearly, is set at

22.5 percent of the salary of the one electing to subscribe to the social security system, starting at 30 pounds up to a maximum of 200 pounds. The law permits the insured in this group to request extensions to his participation in the social security system for workers abroad. The law also permits him to buy any number of uncounted full years within the period of his participation in the system, and which are spent in any job or activity after the age of 20.

With respect to the second group, this includes Egyptians working for foreign countries and those who have obtained leaves without pay in order to work abroad. The rate of their subscriptions in the social security system is determined on the basis of 27 percent of the participant's salary for workers originally in state administrative units or in state organizations, and 29.5 percent for workers originally in the public and private sectors. The salary upon which the insured's subscription rates are based is the same as his salary in his original job, assuming his not obtaining official or private leave. This salary includes production incentives and allowances.

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CSO: 4504/61

ITALIAN ANALYST SEES LIBYAN MARKET 'WORTH WATCHING'

Rome ESPORTARE in Italian No 7, 15 Apr 83 (special insert)

[Brochure on the state of the Libyan economy by economics writer Giuseppe Federico]

[Text] Back in 1954, the World Bank conferred the dubious honor of being the world's poorest country on Libya.

Its wealth grew rapidly, beginning in 1961, and by 1964 its surplus petroleum production had already touched 40 million tons in a single year.

The 1 September 1969 revolution that toppled King Mohammed Idris al Senussi seemed at first to be stepping up that process. A group of military officers, under the command of Col Mu'ammarr Qadhafi proclaimed the Libyan Arab Republic.

Its continued and remarkable increase in crude oil production had, by 1983, catapulted Libya into position among the top four oil producing countries in the Mediterranean and Mid-East area; today, it is among the top ten producers in the oil world.

In 1975, the revolutionary government was dismantled, and in 1976 a General People's Congress was seated. In 1977 came adoption of the Socialist People's Libyan Arab Jamahiryah.

Development Plans

Agricultural, industrial, and energy self-sufficiency, plus a large surplus in production for export, were the goals of the new political ruling class.

In a country where the private sector was already too small and too limited to take any active part in this "development challenge," the state took over the job of planning and directing all sectors of the economy. The first development plans (1973-1975 and 1976-1980) were accordingly designed to achieve this state intervention goal, as was the 1981-1983 Plan.

Financial resources earmarked for Libya's development projects have followed the growth curve in petroleum exports. The 1975 development budget of 1.15 billion Libyan dinar (D.L.), the equivalent of about \$3.9 billion, was a good seven times the size of that for 1970. This trend, however, which looked as though it might go on for several years, came to a halt in the early Eighties when it became obvious that the economy could not grow so rapidly as the planners of earlier years had thought.

The first 3-year Plan (1973-1975), which called for investments of 2.2 billion DL (about \$7.5 billion), of which 34 percent was earmarked for the oil, industrial, and electrical power sector, and the succeeding 1976-1980 5-year Plan, better known as the "Economic and Social Transformation Plan," aimed at nothing less than transforming Libya into an industrial society by means of swift and simultaneous development of all sectors of the economy.

With investments of 7.5 billion DL, the equivalent of \$25.2 billion, and a growth-rate of 7 percent, the ambitious 5-year Plan assigned priority to agriculture, housing, industry, and communications.

The country's infrastructure and the needs of its people were of course important targets for the planners. The productive sectors, neglected by the previous régime, were about to get the lion's share at the expense of agriculture; diversification of the nascent industrial sector was channeled through the country's natural resources, primarily petroleum, whereas in the past investments had been funneled mainly into the petroleum industry.

Industrial Diversification

The expectation shared by both Plans was economic independence by way of petroleum. And for that very reason the industrialization programs aimed at rational use of the oil, by which was meant refining it in-country rather than shipping it abroad as crude. And in fact six refineries were built, and three more are planned to constitute a refining capacity of 1 million barrels per day; a chemical center was built at Abukammash, and others for petrochemical processing sprang up at Ra's al-Unif, Marsa Buragqah to produce urea, ethylene, methanol, and ammonia. Electric power generation experienced massive growth, too, rising from total output of 82 MW in 1968 to 2,515 MW by 1980.

Equally impressive is the growth record in transport and communications, where secondary and primary roads have reached from the 6,000 kilometer total in 1968 to the 1980 level of 80,000 km, and where two new international airports have been built, one at Tripoli in 1978 and another at Sabha in 1979.

Agriculture: A Continuing Objective

Agricultural self-sufficiency has remained an elusive dream. Hence, despite all the appropriations poured into the sector and the major

ECONOMIC INDICATORS

GROSS NATIONAL PRODUCT (GNP) AT CONSTANT 1975 PRICES

	1975	%	1980	%
	(in millions DL)			
Agriculture	82.9	2.2	99.0	1.9
Petroleum	1,961.1	53.4	2,236.0	44.2
Industry	103.8	2.8	245.0	4.8
Construction (including housing)	434.7	11.8	579.0	11.4
Transport	175.8	4.8	245.0	4.8
Services	917.0	25.0	1,654.0	32.9
TOTAL GNP	3,675.3	100.0	5,068.0	100.0

Source: Planning Secretariat

PER CAPITA GNP AT CURRENT PRICES

2,019 Libyan dinar (1976) US equivalent \$6,783
 2,418 Libyan dinar (1979) US equivalent \$8,124

Source: International Financial Statistics.

efforts put forth, which were and continue to be enormous, in 1981 only 25 percent of the country's food needs were met by local production: as against a predicted growth rate of 15.8 percent, only a dismal 3.6-percent annual growth rate has been achieved.

The reasons why this longed-for agricultural takeoff has failed to materialize are many and varied, no matter how you look at them:

- the peasant farmers and the nomadic bedouins have left their farms and flocks for the glamour of the cities, fascinated by their country's new industrial image; the exodus from the countryside began in 1965, and its result has been a steady rise in food imports and a sharp decline in agricultural earnings: while before the oil boom agriculture accounted for 60 percent of GNP, by 1975 it had shrunk to a scant 2.2 percent of GNP.

As a consequence, the increase in urban population, growing at the rate of 23 percent as of the early Sixties, by 1977 was growing at 50 percent per year, while the farm labor force had dwindled over the same period from 53 percent of the total to 22 percent. In 1980,

of a labor force estimated at 800,000 souls, 19 percent worked in agriculture, 21 percent in the building trades, 9 percent in government or defense, and 7 percent in manufacturing, leaving only 1.4 percent in petroleum-related pursuits;

- . 94.0 percent of Libya's total area of 176 million hectares, as described in the United Nations Development Plans, is wasteland, only 1.4 percent is arable, and 0.1 percent irrigable;

- . the grandiose scale and the large number of development, land reclamation, irrigation, mechanization, and other projects;

- . the total dependence on skilled manpower from abroad and on imported machinery;

- . the frequently non-existent organizational ability demonstrated by the government machinery as currently constituted.

Current Economic Planning

The new 5-year Plan for 1981 to 1985 was approved by the People's General Congress in January 1981. Its targets:

- growth rate: 9.4 percent per year, up 2.4 percent over the 76-80 Plan level;

- planned spending on the Development Budget: about 18.5 billion DL (around \$0.3 billion), up 146 percent from the preceding Plan.

Priority sectors are led by industry, with agriculture, transport and communications, electric power and construction following in that order.

As for the annual development budget, though, where the 1981 appropriations called for 2.74 billion DL, the 1982 appropriation turned out to be 2.644 billion DL, divided among the Secretariats (government departments) as follows:

Secretariat	Million DL	Secretariat	Million DL
Farm improvement	348	Participatory sports	15
Light industry	120	Housing	230
Heavy industry	493	Municipalities	215
Oil and gas extraction	40	Transport and	
Electric power	190	telecommunications	355
Education	157	Economy	140
Information	20	Planning	10
Labor force	15	Other	40
Health	82	Reserves (budgetary)	155
Welfare	15		

1981-'85 FIVE-YEAR PLAN

Sector	Million DL	% of total
Agriculture.....	3,100	16.8
Industry.....	3,930	21.2
Oil and Gas	200	1.1
Electric power.....	2,000	10.8
Transport and communications.....	2,100	11.4
Public Services.....	1,300	7.0
Construction (housing included)	1,700	9.2
Education and training.....	1,000	5.4
Health.....	560	3.0
Other.....	1,100	5.9
Budgeted reserves.....	1,510	8.2

It is clear from the figures for 1981 appropriations that the planners looked highly upon the upward economic trend of previous years and devoted proportionately less attention to the warning signals coming in from the economies of the Western European countries and of the United States, who were the heaviest buyers of Libyan oil.

Roots of the Crisis

As we look at the patterns in the major data for the past few years on a strongly expanding economy, one which had never before experienced a recession of such massive dimensions, we find that:

- . GNP at current prices had grown from 3.675 billion DL in 1974 to 4.907 billion in 76, to 5.767 billion in 77, to 5.912 billion in 89, and to 8.319 billion DL in 1979.

- . Libya's balance of trade had shot up from a surplus of 1.879 million DL in 1976 to a surplus of 2.264 billion DL in 1977, and again in 1978 it showed a surplus of more than 1.570 billion, rising once more in 1980 to record a surplus of no less than 4.483 billion DL.

- . Foreign currency reserves, which at the close of 1976 came to \$3.1 billion, at the close of 1977 and after a slight drop at the end of 1978, to \$6.3 billion, until 1980, when they peaked at \$13.1 billion.

- . Oil production rose considerably, from 1.48 million barrels per day in 1975 to 1.93 million per day in 1976, leveled off at 2 million barrels per day in 1977, slipped to 1.98 million in 1979, and declined slightly again in 1980 to 1.83 million barrels per day.

BALANCE OF TRADE

	(in millions D.L.)	1979	1980
Exports		4,759.3	6,486.3
Re-exports		2.6	2.8
Imports		1,572.4	2,006.1
Balance:		+ 3,189.5	+ 4,483.0

Source: Census & Statistics Department, Tripoli, 1982

The Seventies had brought steady and growing surpluses in the balance of trade. Even in 1980 the surplus, compared with that for 1979, had climbed another 1.293 billion DL (more than \$4.3 billion), a rise of 40.55 percent. That long upward trend was not, in any case, visible in the latest data on the Libyan economy.

Figures thus far available from International Financial Statistics show that in 1980 exports came to more than \$22 billion, as against imports worth \$8.6 billion, whereas in 1981 exports had begun to show sharp declines amounting to \$15 billion, coupled with \$10.7 billion worth of imports.

Finally, for 1982 it was estimated that, with exports totaling \$9 billion and imports which have certainly not dropped from 1981, Libya's balance of trade would be in the red for the first time.

PRINCIPAL IMPORTS		(millions of DL)		
	1979	%	1980	%
Food products	238.1	15.1	338.6	16.9
Machinery, automobiles, and transport vehicles.....	668.2	42.5	762.2	38.0
Consumer materials and products.....	366.7	23.3	214.8	24.1
Miscellaneous products.....	170.4	10.8	214.8	10.7
Chemical products.....	64.1	4.1	107.7	5.4

PRINCIPAL SUPPLIERS (% of total purchases)					
	1979	1980		1979	1980
Italy	26.4	29.5	Federal Germany	14.3	13.1
Japan	8.9	7.5	United Kingdom	6.9	7.0
France	8.2	6.8	United States	5.3	6.3
Spain	2.8	4.4	Greece	3.0	2.0
NETHERLANDS	1.7	1.9			

Source: Census & Statistics Department, Tripoli, 1982

. Hard currency earnings from oil sales rose, as a consequence, at increasing rates: from \$8.35 billion in 1976 to \$15.22 billion in 1979, to peak at \$22.53 billion in 1980.

. And finally, the price for sought-after Zuwaytinah and Buragqah crudes had gone up from \$12.32 per barrel in 1975 to a little over \$14 per barrel by 1977, then dropped a little to \$13.80 or \$13.90 in 1978, and went up again in 1979, rising as high as \$26.22 per barrel, to take off for the rarefied record height of \$41 a barrel in 1980.

The foregoing would seem to leave little doubt, then, that Libya's economic prospects have always depended, and depend right now on the volume and value of crude oil it can sell on the world's markets.

However, after more than tripling the 2.2 billion DL called for in the 1973-1975 Plan to 7.5 billion DL in the 1976-1980 Plan, and doubling that in the 1981-1985 Plan to 18.5 billion DL, it is clear that the planners are still firmly committed to the "development challenge" launched by the new political governing class in the first flush of enthusiasm.

However, the quasi-certainty or the quasi-conviction of the Seventies that a country's economic development can depend solely on steadily rising production of petroleum at steadily rising prices; that the growth-rate can continue to be planned at ever faster speeds, has ultimately forced Libya to reckon with a global petroleum market and, more generally, with the economies of the other nations of the world, that have imposed a profound hiatus for some hard thinking and an awareness that it is time for it to take a second and very hard look at its ambitious plans for rapid development.

The beginning of 1981 began to reveal the difficulties and problems that would surface during the course of that year, which in 1982 would evoke a whole string of strenuous interventions on the part of the Libyan authorities.

The policy of steadily ratcheting up crude prices adopted in 1979 and 1980 had created a situation of widespread confusion: foreign buyers were paying a price that was certainly higher than that charged on the average by the other OPEC partners in a period of shrinking world demand for petroleum and of economies sliding into stagnation or recession.

The first half of 1981, marked by approval of the 1981-85 5-Year Plan, brought monthly crude production of 1.7 million barrels per day, a little less than in 1980, selling for an average of \$40 per barrel.

The government agencies and state companies in charge were increasing imports out of all measure, and were quite unconcerned over the feasibility, let alone the hard necessity of utilizing the capital

goods they were so avidly ordering or the country's ability to assimilate them, given the fact that it certainly lacked adequate port facilities, warehouses, and even minimal administrative efficiency in customs operations.

It was in March of 1981 that the fragile bubble of Libyan prosperity got its first shock: economic and political relations with the United States had reached the breaking-point and the American government banned further imports of crude from Libya. At the same time, an attitude of heightened caution was spreading among Western European countries as to the advisability of buying Libyan crude, and many planned purchases were slowed down, postponed, or even suspended.

By November, the impact of this situation had brought crude production down drastically to 600,000 barrels per day; the price per barrel slipped to \$37.50; hard currency holdings plunged to \$15 billion from the \$22.5 billion of the previous year.

In the subsequent effort to stem this hemorrhage of hard currency, a law was passed banning imports of 83 items deemed "irrelevant" to local habits and customs, and a lot more were subsequently made subject to import licenses.

Most assuredly, the Libyan economy was beginning to feel the pinch of declining hard-currency liquidity.

OFFICIAL HARD-CURRENCY RESERVES

(in billions \$ U.S.)

June 1981	13.7
December 1981	9.0
February 1982	7.9
June 1982	7.0
September 1982	6.2

The Consequences of the Crisis

No question but that 1982 was "an atypical year of considerable tightness, a year for some second thoughts called for by the sudden lack of adequate funds," as noted in many quarters.

A number of projects nearing completion or awaiting financing were cancelled or postponed.

Worse: the Economic Situation Was Not Improving

Average crude oil production in the first half of 1982 was barely 770,000 barrels per day, and the price per barrel dropped toward \$32, notwithstanding the efforts made at the OPEC conference in Vienna by all its members to hold the price at \$34.

Just one problem: while in the second half of 1982, on the one hand Libyan oil production showed some signs of recovery, rising to a hair above 1 billion gallons per day, on the other, prices on the international free market showed further declines, falling through the rock-bottom \$30 level.

The upshot of this very grave state of affairs was that Libya's earnings of hard currency from sales of crude oil at the close of 1982 came to around \$9 billion, as compared with \$15 billion in 1981 and better than \$22 billion in 1980.

It is thus quite clear that the sorry performance of petroleum export sales brought the Libyan government eyeball to eyeball with the need to make some very distasteful decisions, to adopt and enforce more stringent controls, and gradually to return to a trade policy that would win the country more important and more lasting oil agreements.

Certainly significant was the harsh crackdown by the chairman of the General People's Committee. Working with the central bank, he ordered that all applications for import licences would be assessed on a case-by-case basis, subject to issuance of a letter of credit for merchandise of special importance, such as goods destined for local productive units or needed for completion of projects in the final stages of completion.

The decision by the Libyan government to suspend payment for most goods imported back in 1981, indefinite delays foreshadowing many more to come, halted delivery by foreign suppliers of orders already prepared for shipment and, even more stringently, halted production starts on orders already taken or continuing to come in from the regular Libyan customers.

And so, while the comeback in petroleum production referred to just now is still coupled with an upturn in exports, this first half of 1983 will be remembered for the obvious readiness to normalize trade relations with foreign countries, which, by the third quarter were already showing tentative signs of an upturn in imports.

We are referring here to the gradual resumption of foreign debt payments, already visible in early 1983, and to more careful updating of payments on planned spending which, though lower than in the past, show signs of awakening to the current and real financial capacity and needs of the country. Meanwhile, some sectors, as witness the items in the new spending budget for 1983, will be starting to show signs of recovery.

News of the new preliminary estimates of imports for 1983 came just the other day.

The total sum called for --1.558 billion DL, about \$5.25 billion -- will break down something like this (in millions of DL):

Light industry	352.8
Heavy industry	148.0
Agriculture	141.5
Machinery, tools, spare parts	272.9
Food products	281.7
Building materials	85.2
Pharmaceuticals	34.3
Other consumer goods: clothing, textiles, shoes, stationery	241.8

It is remarkable to find 22.6 percent of total spending earmarked for light industry, 9.5 percent for heavy industry, and 17.5 percent of the total going to buy machinery and tools.

Similarly, the building materials item on the import list, with its 5.5 percent of the pie, reflects the Libyan government's decision to get construction going again, and this would also afford a promising opportunity for the Italian construction industry.

Further perusal of the preliminary 1983 budget shows that, even while making substantial cutbacks in spending plans (in 1982, the prediction called for 2.644 billion DL, (about \$8.9 billion), industry, agriculture, and construction are still the priority sectors in the "development challenge."

A Market Worth Watching

In any case, there would seem to be little doubt that the economic outlook for Libya is totally dependent on its oil, despite continuing efforts toward industrial development of the other sectors of the economy.

Libya, in this sense, is part of the grim context of crisis currently surrounding many oil-producing and -exporting countries.

While Libya is of course still wrestling with the problem of hard-currency liquidity, a widely held view is that within the next few years the projects now on the drawing board for heavy and light industry (more than \$4 billion worth), in agriculture (more than \$3 billion) and in construction will certainly see completion.

Libya thus still looks today like one of the likeliest markets in the Middle East and Africa, along with Saudi Arabia.

It is a market which, even though it has shown signs of uncertainty and concern whose effects are still being felt, certainly is worth watching, because it could very well offer a country like Italy some tempting occasions for resuming exports.

ITALIAN-LIBYAN TRADS

(Millions Lire)	1979	1980	1981	1982
Italian imports from Libya	2,144,456.6	2,981,791.8	3,756,226.3	3,775,576.1
Italian exports to Libya	1,597,869.2	2,195,170.0	4,955,;84.0	2,831,020.9
Balance for Italy	-546,587.7	-786,621.8	+1,198,957.7	-944,552.2

Source: ISTAT

ITALIAN IMPORTS

(in millions of lire)

	1979	1980	1981	1982
Crude oil	1,932,252.5	2,690,974.4	3,564,167.1	3,570,686.2
Non-metallic minerals	106,830.6	139,240.4	--	0.5
Aircraft and parts for same	1,189.6	2,001.7	1,189.6	89,346.7
Other organic chemical products	10,977.6	10,213.8	12,239.6	28,804.4
Light oils	59,080.8	62,931.5	44,098.5	38,459.4
Fuel oils	10,636.4	41,793.6	54,596.3	10,218.8
Other petroleum distillates	3,905.4	25,112.2	28,961.7	30,913.9

Italy's Trade with Libya

The rise in Italian exports from 1979 through 1981 was far sharper and more sustained (310 percent) than the increase in imports (75.1 percent), almost all of it petroleum.

In 1981 the total of Italian goods exported came to 4,955,184 billion lire as against 1980's level of 2,195,170 billion in 1980, an increase of around 125 percent, while imports of 3,756,226 billion lire in 1981 as against 2,981,791 billion lire in 1980 showed a rise of about 26 percent.

The 1982 data, however, show a sharp decline in trade in both directions: along with a drop in Italian exports averaging 40 percent, Italy's imports from Libya held at about the same level as in the preceding year.

Crude petroleum, oils, and petroleum derivatives constituted, over the period in consideration, an average of more than 95 percent of all our imports from Libya.

As for the quantities of crude imported from Libya, the figures show a continuing decline: from 15.2 K tons in 1979 to 11.6K tons in 1980 to 10.5 Ktons in 1981 and 10.1K tons in 1982.

As a quick examination of the data on principal Italian products exported to Libya, while 1981 brought bigger sales in all areas of the market, by comparison with earlier years, 1982 ushered in a sharp reversal of that upward trend.

Food exports, which had risen from 140 billion lire in 1979 to 320 billion in 1981, accounting for 8 percent of total exports, in 1982 it came to a scant 162 billion lire, less than 6 percent of total exports, with an overall decline of 50 percent. The only items to show even slight increases were rice, semolinas, and flours, as well as fresh and quick-frozen meats.

Lumber, wooden furniture and other manufactured wood products, which in 1979 brought in 117 billion lire and in 1981 hit 253 billion lire, in 1982 plunged steeply to a paltry 44 billion lire. Furniture alone had brought in no less than 200 billion lire in 1981, but in 1982 it fetched no more than 25.7 billion.

The news for 1982 was dismal, too, as iron and laminated steel, special steels, common ferrous alloys, and other steel products dropped sharply. From 119 billion lire in 1979, they had climbed to 350 billion by 1981, but barely touched 99.5 billion in 1982.

Amid the prevailing gloom, however, there were sectors of the Italian economy that were thriving suppliers. Among those which reported substantial increases in quantity and value in 1981 were metalworking,

chemicals, machinery in general and non-electrical machinery and equipment, automobiles and spare parts, light oils, gas and lubricants, as well as textiles, clothing, and shoes which in all accounted for 65 percent of all exports of goods to Libya.

And so, the years 1979, 80, and 81 were years of thriving trade with Libya, 1982 was a year of massive decline in Libyan imports as a result of tight restrictions and the current economic recession Libya is experiencing, all of which produced a steady decline in Italian exports to that country. Everybody knows that as early as the second half of 1981 Libya had suspended settlement on countless foreign purchases which called for payment "on receipt of documents," and continued settlement only of import purchases backed by an irrevocable letter of credit.

Customs and Trade Legislation

The Trading System

The task of restructuring the business and trade sector, begun in 1975, has in less than 4 years gone through a number of phases, all tending toward the steady exclusion of the private sector from trade and industry so as eventually to confine all such operations to the public sector. Hence, in the current state of affairs, we may consider the days of imports by private traders at an end. They have been replaced by the following agencies:

- State Corporation
- Coöperative
- Military supply agencies

All imports of goods are subject to license. Absolutely forbidden is any shipment of goods from Israel, Egypt, or South Africa. The import ban applies as well to the following products: alcoholic beverages, pork and pork products, canned meat, pasta, mineral water, hand-made rugs, tiles of grit or clay (the last four prohibitions imposed to protect local manufacturers), and second-hand goods. On 5 November 1981 a ruling was handed down which bans imports of 83 articles of trade. The preliminary spending plan for 1983 carries a list of 17 more banned imports. Both lists may be obtained by those interested at the Rome headquarters of the Office of Technical Information.

Customs System

A tariff is levied on almost every kind of goods. It is reckoned as a percentage of the bill and will vary according to product type. All incoming merchandise is also subject to the following additional taxes:

- 5% of assessed duty for the Jihad tax and 5% for the city tax.
- 5/00 of the value of the merchandise, and another 5/00 for port fees.
- on the total: 2/00 for a receipt tax.(clearance).

Currency Regulations

The Central Bank of Libya exercises control over the currency in such a way that it may choose to delegate some of its functions to the authorized banks. Currency settlements are handled in convertible currencies, usually in US dollars, German marks, or British pounds sterling. Authorized banks cannot issue approval for transferring the currency required for settling accounts payable for imports unless the importer presents a valid contract (a bill) and his import licence. Payment against a letter of credit also requires presenting an insurance policy issued by a Libyan agency.

In addition, the importer must submit to the bank within 2 months of the date his merchandise cleared customs a statement proving that he has paid all customs duties and taxes.

Trade with Italy

There is no trade agreement currently in effect between Italy and Libya. Italian imports from Libya fall under the system of prevailing regulations for countries in the A-3 zone and Libyan imports are covered by the Export Table system.

Payments

Payment is made via an irrevocable or confirmed letter of credit or "against documents." (This latter procedure has been suspended for the time being.) Usually there is a request for C&F Tripoli or Benghazi quotations. By special arrangement under the aforesaid billing system, insurance is paid for by the importer. Readers are reminded that on the basis of current regulations, contracts are recognized as valid only if they are signed by both parties -- in Libya.

Billing

This requires a certificate of origin (in duplicate) notarized by the Libyan consul. One copy is returned. On the certificate of origin or on an attachment thereto the name of the producer or manufacturer must be given. Attached to the certificate of origin must be a statement on the exporter's letterhead stating: "I declare that the merchandise shipped by us to referred to in the statement of origin filed with the Chamber of Commerce in contains no material of Israeli origin and that nothing of such origin was used in the manufacturing process.

I further affirm that the aforesaid merchandise will be shipped on a vessel which neither appears on the blacklist nor puts in at Israeli ports. This declaration is made for all purposes and we are fully and entirely responsible for it (seal and signature of exporter)." The exporter's signature on this declaration, which will be returned after notarization by the consulate, must be notarized by

ITALIAN EXPORTS

	1980	1981	1982
	(in millions of lire)		
Rye, barley, and oats	9,081.2	24,365.9	8,560.5
Dried fruits and vegetables	6,081.2	20,783.5	5,699.9
Other fresh fruits	6,335.2	9,734.2	113.6
Rice, semi-crude and polished	11,204.0	26,104.7	31,004.1
Wheat flour	36,015.1	18,063.8	17,262.6
Flour from other grains and semolinas	8,996.6	24,845.7	24,406.1
Sugar	4,769.2	58,280.1	12,240.6
Sweets and confections	5,173.7	19,815.4	2,195.9
Fresh and frozen meats	17,057.4	18,928.1	23,855.6
Dressed fish	2,111.4	4,174.8	710.5
Canned tomato paste and peeled tomatoes	2,236.7	5,338.9	3,973.7
Fruit preserves and juices	6,296.2	14,528.2	4,174.0
Olive oil for table use	--	23,963.4	3.8
Other non-food products	34,769.2	79,763.1	81,116.4
Thrown silk, silk-waste thread	4,442.6	9,861.1	2,656.6
Yarns and threads from artificial and synthetic fibers and their wastes	1,257.8	4,474.4	21,069.3
Textiles of artificial and synthetic fibers, pure or blended	7,044.9	16,531.8	865.4
Vegetable fiber knitwear and hosiery	5,358.9	15,011.2	193.9
Knitwear and hosiery of artificial and synthetic textile fibers	11,544.6	31,497.1	1,708.3
Sewn items of vegetable fibers	34,360.5	114,437.3	7,294.9
Sewn items of artificial fibers	38,025.0	73,860.6	4,577.7
Leather footwear	20,053.8	59,110.8	3,532.6
Other products of the garment industry	4,923.4	41,835.5	4,696.0
Wooden, wicker, and reed furniture	97,371.1	200,580.0	25,710.7
Other objects of wood, wicker, and reed construction	21,170.2	41,491.7	16,653.1
Books and magazines	8,091.4	9,677.1	14,140.2
Laminated iron and steel	147,599.7	215,287.2	59,099.1
Other iron and steel products	74,074.2	115,460.3	22,325.1
Silver, gold, and platinum	49,135.8	71,929.5	70,808.0
Metalworking machine tools	5,630.9	12,052.4	10,841.5
Other machine tools	2,899.5	9,525.7	6,475.2
Farm machinery and implements	9,217.6	34,671.1	15,290.8
Machinery for extracting and processing minerals	25,910.3	69,674.3	30,451.1
Machinery and equipment for the textile and garment industries	5,102.3	3,085.0	4,161.1
Machinery and equipment for the food industries	1,319.3	8,229.4	7,706.4
Other non-electrical machinery and equipment	126,385.1	237,756.8	131,354.7

Spare parts for non-electrical machines and apparatus	51,430.2	78,043.6	62,199.3
Electric generators, electric motors, and parts for them	20,459.4	39,146.4	27,079.6
Telecommunications equipment and components	22,449.0	41,734.3	81,237.6
Other electronics equipment and components	56,450.0	134,735.5	67,210.4
Other precision machine products	44,011.1	46,671.3	17,158.9
Automobile vehicles	114,531.3	408,420.6	124,895.6
Tractors	10,018.1	31,561.3	19,478.9
Spare parts for automobiles	55,416.6	170,925.9	105,986.0
Aircraft and aircraft parts	39,476.0	175,667.7	294,823.5
Boats and parts for water-craft	22,480.3	49,255.0	1,452.9
Hand- and machine tools for the arts and crafts and for agriculture	8,367.7	21,728.0	12,314.9
Bolts, screws, and other small hardware	5,622.3	9,609.6	4,292.0
Other products of the metal-working industry	295,027.4	596,499.0	383,360.7
Lime, cements and plaster	9,232.5	15,577.5	17,695.3
Terracotta and refractory materials for construction	49,380.8	53,850.8	48,585.0
Porcelain, majolica, and pottery	12,084.9	34,571.4	9,816.6
Glass and crystal objects	22,504.0	27,858.0	9,396.5
Chemical and pharmaceutical products and preparations	8,962.8	11,073.;	11,999.4
Pigments, lacquers, varnishes, enamels	7,399.5	10,198.3	6,420.9
Artificial plastic materials and synthetic resins	15,981.9	20,560.7	10,718.1
Miscellaneous chemical products	17,542.2	24,879.9	18,374.8
Light oils	53,023.8	171,440.2	179,170.4
Medium oils	16,014.4	41,165.4	9,600.3
Gasoil	42,466.4	261,498.5	343,588.7
Fuel oils	17,754.9	74,826.6	43,420.9
Lubricating and other heavy oils	9,004.6	34,712.3	14,330.9
Tires	10,135.7	18,150.1	6,133.1
Other rubber and plastic products	3,540.1	12,051.3	6,399.3
Insulated cables and electrical conductors	61,191.5	99,852.9	67,136.2
Electric lamps and their parts	8,508.5	18,067.1	8,892.8
Miscellaneous manufactured products	74,559.6	188,874.2	30,936.4

Source: INSTAT

the Chamber of Commerce. The bill in duplicate, one copy of which must be delivered to the consulate for its files, must show the import licence number (when required) and that of the importer's currency permit, as well as the makeup by percentage of each component of the shipment in cases where it consists of more than one specific lot of identical articles. Prior to presentation at the consulate for notarization, all documents must be stamped either by the competent local Chamber of Commerce or by the Camera di Commercio Italo Araba, Piazzale Belle Arti 6 Rome -- Galleria Privata Battari 2 Piazza Duomo, Milan.

Trade Legislation

Almost any activity on the part of local agents or intermediaries is prohibited in Libya. This means that foreign companies must make direct contact with government agents, agencies, state companies, and municipalities.

Lists of these bodies may be obtained at the Rome headquarters of the Commercial Information Office.

Release from Customs

All customs operations for release of goods from the port must be handled by one of the government agencies listed below, the first in Tripoli and the second in Benghazi.

- THE GENERAL CLEARING CO. (EL FATHAH)
Sciara Sidi Darghout
el Dahmani Bldg
P.O. Box 327
Tel 36282/31597
TLX 20608
TRIPOLI
- EL JESHFRA
P.O. Box 2405
Tel. 93456/93539
BENGHAZI

Documents Required:

- Original bill
- Certificate of origin
- Quitclaim from the transporting shipper
- Import licence.

All documents must be presented by a person holding power of attorney from the importer.

- * In Italy, the Libyan consulate maintains offices in Rome, Milan, and Palermo.

6182

CS0:4628/5

INTERIOR MINISTER EXPATIATES ON POPULARITY OF APPLICATION OF ISLAMIC LAW

London AL-SHARQ AL-AWSAT in Arabic 18 Oct 83 p 3

[Interview with Sudanese Minister of Internal Affairs Ahmad 'Abd-al-Rahman Muhammad by Muhammad 'Abd-al-Majid: "All the Organizations in the Sudan Shared in the Decision to Apply Islamic Law"]

[Text] Last 11 August the Sudanese president, Ja'far Numayri, issued a temporary order on the law on the judiciary corps for 1983 and the law on the number of judges and salaries in the judiciary corps. That was in effect the first move in a series of new laws and decrees to bring about full justice, after the longest judiciary strike the Sudan has witnessed, which lasted almost 3 months. This was followed by the presentation of two new laws on civil and criminal procedures which are considered better and faster in resolving disputes between adversaries, an effective, thorough instrument for restoring people's rights, and a consummation of what the Sudanese president called the judiciary revolution. Then there was the issuance of the new laws on movement and the lawyers' profession.

These laws came at the same time as President Ja'far Numayri's declaration of the establishment of the paramountcy of Islamic law through the issuance of the penal code for 1983, which took the form of concentrating on Islamic law. In harmony with these laws, a republican decree was issued shutting down alcoholic beverage factories and liquor was abolished at official and popular ceremonies. There then occurred his recent decree, declaring an amnesty and abrogating the punishment of all convicts in various areas of the country against whom sentences had been issued in various cases.

AL-SHARQ AL-AWSAT met with Mr. Ahmad 'Abd-al-Rahman Muhammad, the Sudanese minister of internal affairs, in a conversation which lasted almost 2 hours, covering the contents and the dimensions of these new laws and decrees, especially those concerned with the application of Islamic law, the circumstances surrounding them, their timing and other important issues.

Historic Decrees

He started his conversation by saying:

The president has succeeded in issuing historic decrees which have great domestic repercussions, historic and intellectual significance, and foreign

effect in education, because the Sudan, like other countries under the grip of colonialism, continued to be dominated by a foreign culture in many manifestations of civilization and systems of life, in education, the judiciary, and the economy. This continued even after the country was liberated from the vice of colonialism and political tutelage.

The 1959 revolution took place, putting an end to many of the manifestations of feudalism and tribal backwardness and liberating men from the grip of his fellow men. The individual came to rely greatly on himself in taking his decisions and in action, without great influence from a group, whether that was a faction, tribe or something else; many foreign institutions which had been exercising their activities alongside their presence as a guardian of Western values, as embodied in the form of foreign banks, companies, organizations and so forth, were eliminated, and these centers of power came to an end. There no longer were any guarantees to guarantee the preservation of Western values and system.

Just that alone put the repression of Western thinking in many institutions, especially the higher ones, the universities and secondary schools, became clear to a degree where the dominance of the secular sciences came to an end, its points of concentration were shaken, and its effect diminished.

An Islamic current came into being in prominent form in various official and ordinary circles, especially scholarly institutions, and this current among the students and teachers and the leaders in the society to the point where many Communist leaders of the left in the Sudan turned completely toward the Islamic orientation. This was not strange, since that has become prevalent in the Arab and Islamic world. As examples, but not an exclusively, Khrushchev and others in the USSR, and Ali Shari'ati, Abdol Mohammod Khatib, or Hassan Ali Mahdavi and Ahmad Beha'ad-din in the context of the present in the context of the Islamic world we can refer to the return of the Communist party theoretician and philosopher or Roger Garaudy. It has not helped in the return to Islam.

Conviction of the present day.

[Question] What, however, are the dimensions and reconstruction of this orientation?

[Answer] Out of the conviction in hastening toward this Islamic orientation, the first and foremost program on the second term which is Islamic in orientation and which did not just present to the rear but to the positive politics and national confidence and the content to put before the whole Sudanese nation through a referendum. It happened, he was chosen unanimously throughout the country for the second term as a result of the general referendum which took place at that time. He referred to that in his book "The Islamic Way" -- how is it so?

Although the circumstances surrounding the second term did not permit him many achievements, more than ever, rather in the context of this Islamic orientation, since the judiciary was consolidated, a review was made of the curriculum and so forth and he succeeded in preparing to adopt the Islamic orientation in a serious,

practical manner through his insistence on upright leadership. He encouraged the instruction of memorization of the Koran at various levels, especially in armed forces circles, festivals were held for the memorization of the holy Koran, and a faculty was established for the holy Koran.

Before the end of the second term, a national committee was formed, under the chairmanship of the former head of the judiciary and a technical committee under the chairmanship of the former public prosecutor, to review all Sudanese laws so that those would be in keeping with Islamic law. In fact, serious studies have been made in which aid has been derived from the Arab and Islamic area in this regard.

In addition, the notion of adopting the system of decentralization and subdividing the Sudan, an immense country, into eight regions, each with a government and its own parliament, has offered opportunities for leadership personnel to emerge who are closely attached and tied to the citizens and have participated in raising the call for the dominance of Islamic values in government. We were not surprised when many regions responded and took the initiative of prohibiting alcohol within their own regions before the issuance of the new laws.

The decrees bearing on the imposition of government by Islamic law occurred after all these preparations; they were not sudden, since all political, mass and group organizations took part in these decrees and they were approved by two public referenda and passed in the comprehensive political program which the fourth national conference of the political organization issued last February.

Alienation under Secular Laws

[Question] In your view, what is the effect of this orientation and the immediate adoption of Islamic law in facing the challenges confronting the Sudan?

[Answer] It is fortunate that our generation is witnessing the start of the process of application of Islamic law, although Islamic society and Islamic law have existed for a long time. It is also an act of appreciation of God's that this has happened without the loss of much time, because Sudanese society had started to face various tests and major challenges which threatened its cohesion and harmed its Arab Islamic Values and composition and it was considered appropriate that the decisive solution to all these problems and phenomenal would be the implantation of governance by God's book.

Many countries may be turning in this direction, but they have taken much time on theoretical preparation, while God has wanted the experience in the Sudan to be the immediate adoption of Islamic law and the confrontation of problems which appear during the process of application, since these Islamic laws govern Moslems in many of their dealings and deal with their conduct, and there had been an alienation between them and the secular laws which had been derived from the values of British and Indian society, societies which were alien to them. Therefore, there was not much trouble in responding to these laws and preparing psychologically to make them dominant, since they had remained alive, sacred and honored in people's hearts. Evidence of that is the massive parades which the masses in various areas, in towns and regions, praising this victory.

Reports of Crimes Have Declined

[Question] How have the responses of the various circles of Sudanese society to these laws manifested themselves?

[Answer] Since these laws were announced, a resurgence of literature and jurisprudence has been observed in various creeds in public and private circles. Confidence has been observed among the citizens, with respect to their security and the security of their belongings, through a conviction in the deterrent nature of Islamic penalties, because they are a part of their belief, which they believe they must totally yield and submit to on grounds that that is God's formulation and that the greatest formulations are from God. In fact, I can point out that the rates of crime reports have dropped by 30 percent since these laws were issued.

[Question] Some people link the timing of the issuance of the new laws to the circumstances surrounding the latest student disturbances and the economic circumstances in the country, while some people are of the opinion that they were the result of foreign pressures. What comment do you have?

[Answer] In reality, there were no student disturbances on a scale which could cause any nationwide problem this year. As to people abroad who say that there are student crises, I consider that they should be more moderate and look at the information that reaches them, so that they can verify it and make the proper evaluation.

As for the economic circumstances, those have never been satisfactory at any time, same as today, but whatever is said, they are better than they were any year in the past, since there are decisive measures to which the government has committed itself, and even the economic organizations have expressed their satisfaction with these measures.

I do not believe that there have been foreign pressures from any Arab, Islamic or foreign country to adopt Islamic law. To the contrary, we wish there had been, by virtue of the fact that the Islamic nations is a single body, that neglect and harm must not afflict the aware, who must exhort the others, and that there must be the mutual giving of advice on the affairs of Moslems, or at least that is how it ought to be, among individuals, groups and countries.

The Application of Islamic Penalties

[Question] What subsequent steps will be made to apply Islamic penalties and achieve full justice through the establishment of Moslem society, by which I mean the criteria of personal freedom through women's right to work and mix, Islamic clothing, and so forth?

[Answer] In our view, Islamic penalties are an inseparable part of this orientation, and commitment and submission to it will be guaranteed the more Islamic values and rules we adopt, and the more we choose them to rule over our situation, drawing from the Koran, the life of the prophet, and the guidance of his companions. As regards women's right to work, women are guaranteed the right to

work and that is not disdained in Islamic law, in the proper areas and in the context of Islamic rules and mores.

As regards mixing, what is to be rejected is the expression of mixing in the sense of that word which prevails today, along with the cultural values it entails which are alien to Sudanese Moslem society. Sudanese society, thanks to God, is prepared for a resurgence of women which is committed through conviction, voluntarily and by choice, to the Islamic platform.

As to the issue of Islamic dress, in my opinion there is no specific form of clothing which can be called Islamic dress; rather, there are guidelines which strongly suggest that one's private areas be covered and that there be an orientation toward clothing which covers and conceals and does not underline women's seductive points. As they say, "It should not reveal and it should not portray." These issues would not receive such attention had awareness of Islamic thinking been spread about in the circles of society, and among women in particular.

[Question] On the general amnesty decree and the elimination of sentences of convicts in various areas of the Sudan, and their relationship to the new laws; what is your new conception of the role of the prison organizations?

[Answer] The declaration of amnesty following the issuance of the new laws constitutes a pause for stocktaking with the people at a new stage in the history of the modern Sudan, and the shift in consciousness of a society which was dominated by Western systems drawn from societies which were different from the Sudanese and whose shortcomings and failures have been obvious to systems which are derived from the actual state of the Sudanese people with their values and beliefs, which are well known in public and private circles and between the two of which a long generation has passed. Therefore it was considered fit that this day should be exalted and the citizens should grasp this process, and even the people in prisons were not neglected, since they are an inseparable part of the society. Proceeding from the same Islamic values, it was necessary that they be given an opportunity to set matters right and arrange them, help, after they have been released by everyone, to start their life at a far remove from crime, and grasp the fact that the provisions will be deterrent ones if they return to the state they were once in.

As far as the role of prison organizations goes, in our view convicts exist because society has not been free of convicts since the first eras of Islam. However, there are Islamic values which impose rules and customs on officials in dealing with convicts. With God's permission, we should urge the establishment of institutions which are concerned with reform, education and refinement and enable inmates to continue their efforts to make sacrifices in the area of their specialization; otherwise they will be removed from the society. Indeed they should enable them to follow up on the course of events in their society, so that we can turn their presence in these institutions into an opportunity for self-sacrifice and innovation and should strive to link these institutions not just to central ministries but also to philanthropic institutions, and philanthropists in general.

[Question] Following the release of all the convicts, a group of political prisoners remains; verdicts have not yet been issued on them. What will the fate of this group be, in the context of the new laws?

[Answer] The judiciary has now started to activate its departments to review these cases and present them to the courts. These include all people who are waiting, political figures and others.

11887

CSO: 4504/59

INTEGRATION OFFICIAL DESCRIBES FORTHCOMING AREAS OF COOPERATION WITH EGYPT

Cairo AL-AMAL in Arabic Nov 83 pp 18, 19, 29

[Interview with Maj Gen 'Abd-al-Sattar Amin, assistant secretary general of the Higher Integration Council, by Badr-al-Din Khalil: "The Preparatory Stage Ending in October 1984 Will Concentrate on Solving Problems of Self-Sufficiency in Food"]

[Text] With the beginning of the second year after the signing of the charter on integration between Egypt and the Sudan, at the end of which the preparatory stage for an integration which the masses in the two countries yearn for, and we had this interview inside the secretariat general of the Higher Integration Council, which is the basic body responsible for carrying out the integration charter, in order to learn about the progress of the integration, the extent to which it will bring about its projects, and its aspirations.

Among the flurry of activity and burdens of responsibility, we held this interview with Maj Gen 'Abd-al-Sattar Amin, the assistant secretary general of the council.

His responses were made with the forbearance to which he became accustomed in his military actions in which he experienced four wars, starting with the Palestine War in 1948 and ending with the victory of October 1973.

Achievements of the Preparatory Stage

[Question] What achievements are to be carried out at the end of the preparatory stage of integration, which, God willing, will end in October 1984?

[Answer] During the preparatory stage, which we are going through now, the institutions of integration are being completed, concepts between the two peoples are being unified and reconciled, obstacles are being eliminated, and the constitutional, legislative and administrative fetters which obstruct the orientation of the movement of individuals, trade, labor and capital between the two countries are being removed, so that citizens in each country can enjoy identical rights and duties in the other.

In this stage, feasibility studies are also being made of economic, social and cultural projects between the two countries and strategic plans and programs are being put in concrete form to function as a guide to executive integrative activity.

Projects with rapid, tangible returns have been set out for the masses of the people of the Nile Valley, especially in the area of self-sufficiency in food and infrastructure, especially those serving links between the two countries, obstacles such as the acquisition of the freedom to work and own property in the two countries are being eliminated, and means of land, river and air transport are being strengthened. Our plans constitute a gradual approach which will start with what is possible, from the premise of the current situation, and will gradually proceed to the attainment of what is necessary over the long range.

The most important projects on which execution has actually begun are:

The agricultural project in al-Ismazin: The Egyptian Agricultural Integration Company is carrying this out. It has the goal of reclaiming and starting cultivation on 1 million faddans in the al-Ismazin area of the Blue Nile Province. Sixty thousand faddans have been newly planted with corn, cotton, sesame, soybean and sunflower crops, and that is to expand to 110,000 faddans by the end of the preparatory stage.

The establishment of a joint fishing and fish processing company on Lake al-Rubeh:

The higher council has approved the establishment of this company, in which cooperatives and the private sector will be given a chance to take part. Last year, agreement was reached between the Egyptian party, represented by the Egypt-Aswan Fishing and Fish Processing Company, and the Sudanese party, represented by the General Livestock Production Organization, the Sudanese Development Organization, and the Northern Investment Company, for the Egyptian party to catch 2,750 tons of fish in Sudanese waters and the Sudanese party to be allocated 1,500 tons of fresh fish at a price of 15 piasters per kilogram and the Egyptian party 750 tons for curing, until fish reserves in the lake have been evaluated. Work began in March 1983 and the Sudanese party has been delivered about 100 tons a month at halfa.

The fish reserves have been evaluated and the higher council has allocated 45 million to start the establishment of this company. The company's production is planned to reach 60,000 tons a year.

Technical and economic feasibility studies in areas of self sufficiency in food:

The meat project: August 1983: This was prepared by the Arab Organization for Agricultural Development in Khartoum.

The project, in Khartoum, buys 150,000 head of cattle a year producing 27,000 tons of meat, which are exported to Egypt.

The costs of the mill are estimated at about 1,750 Sudanese pounds per ton at Khartoum airport.

The project's investment requirements are about 15 million Sudanese pounds, 6.5 million pounds of which are in foreign currency.

The fodder project: 1981, Khartoum.

150,000 tons of concentrated fodder, half to be exported to Egypt.

Costs, 8.5 million pounds.

The poultry and egg production project: 1981, Jabal Awliya', Khartoum: 15 million eggs plus 1 million hens.

The oil press in al-hamazin:

This is being built by the Sudanese-Egyptian Agricultural Integration Company to press oil crops (soybeans, sunflowers, cottonseeds and sesame), thus making it easier to ship the oil, which is about 20 percent of the [total] weight.

The capacity is 30,000 tons of oil seeds.

Costs are 5.5 million pounds.

A feasibility study on cultivating coffee, tea and tobacco in the southern Sudan so that it will be possible to make use of that in meeting some of the two countries' needs for these goods.

Laboratory analyses which Egyptian tobacco companies have carried out have proved that some strains of Sudanese tobacco can be added to Egyptian cigarette processing.

Cooperation is taking place in the performance of the necessary studies and research to produce new strains of sugar cane distinguished by crop abundance, high sugar content, resistance to pests and diseases, and control of blooming.

Cooperation is taking place in the field of sugar and sugar by-products industry to produce alcohol, fodder, paper pulp and artificial wool.

The Jonglei Canal:

This is to be considered one of the most important Nile river water resources development projects. It is aimed at reducing the great water loss with the objective of increasing the river's income and using lost water for agricultural expansion in the two countries.

[line missing] agricultural in Egypt to meet the needs of agricultural expansion in the southern valley.

increasing the production of fertilizers required by agriculture.

Increasing insecticide production.

Expanding the pharmaceutical industry to meet the requirements of Egyptian and Sudanese markets and creating joint industries relying on the use of medicinal herbs and plants present in the Sudan.

Food preservation and canning industries.

Development of the textile industry by using the short-staple cotton crop to produce ordinary cloth for both peoples.

Opening shoe and leather product factories in Khartoum, benefiting from Egyptian know power and expertise and the leather raw materials available in the Sudan, to meet the two countries' needs.

Using the Sudan's lumber and Egyptian expertise in the furniture industry, which craft federations will engage in.

Each Country Has Its Own Plan

[Question] Is there an orientation toward consolidating economic and social development plans in the two countries in the short term, in a manner that will guarantee full coordination and the concentration of efforts on the project?

[Answer] Our policy regarding integration is that each country will have its own plan, in accordance with its own resources and goals, and will carry them out at their own rates of growth. A 5-year plan, for 1982-83-1986-87, is being carried out in Egypt while in the Sudan the 6-year plan is being carried out concurrently with President Ja'far Numayri's third term.

In our integration stage, we will select some projects from the two plans, which will define it along with the integration plan on behalf of the two countries and will involve investments in Egypt and the Sudan.

This plan will set out a planning, economic affairs and financial committee for integration which will number senior planning and economic officials in both countries among its members.

[Question] The experiment of sending farmers to emigrate to Iraq has shown great success. The Sudan's circumstances are more suitable in terms of familiarity with the people's customs and the unity of the land; why isn't the experiment being transferred to the Sudan?

[Answer] The experiment with Iraq succeeded because it started with a small project which was prepared for skilfully, and it succeeded in drawing Egyptian labor to Iraq.

We are very confident that when the projects that have been planned start and young generations take part in them, they will in themselves encourage lar-

numbers of Egyptians who want to work in future stages. I appreciate the circumstances of Egyptian workers who are not willing to travel to the Sudan because complete, carefully studied plans have not yet been set out to guarantee workers a reasonable income. If we make this incentive available, they will then be happier to work in the Sudan than anywhere else.

The Unions and Support for Integration

[Question] What do you hope for from the mass organizations, in particular the unions, in the way of support for integration?

[Answer] The charter on integration between Egypt and the Sudan places great emphasis on popular action in the areas of the private sector, cooperatives, workers' and craftsmen's unions, the chamber of commerce, the federation of industries, the youth sector and the women's organization. Therefore, a committee for people's organizations has been formed as one of the five committees on which the Higher Integration Council will base its decisions.

What the Egypt Federation of Workers and the Sudan Federation of Workers accomplished by signing an integration agreement between themselves should be considered a supplementary initiative, and we consider it an example of mature integration activity which will have great repercussion in linking the two countries. The most comprehensive point in this agreement is the shift of labor integration to the production area, in addition to the old, profound links between the labor unions in Egypt and the Sudan in the areas of external representation, exchanges of experts, and the training, preparation and development of labor.

The Future of Integration

[Question] What is the future of integration as your excellency views it, and the citizen's sense of its positive results?

[Answer] The fact is that what has been achieved this year should be considered a realization of the goals that were planned. We, as a secretariat general of integration, had hoped that the harvest would have been greater than this, but, measured by the previous period, the enthusiasm we have met with from our political leaders, the directives we have received from Presidents Muhammad Husni Mubarak and Ja'far Muhammad Numayri, and the enthusiasm we have also observed in the context of the people, especially in the committee of popular organizations, bode well for the success of integration in a carefully studied, gradually applied manner, far removed from emotionalism, and the execution of strategic plans which will bring the people of the Nile Valley security, safety and well being in the foreseeable future, namely 10 years in the life of the charter.

Maj Gen 'Abd-al-Sattar Amin, Assistant Secretary General of the Higher Integration Council

He was born on 1 January 1930.

He graduated from the War College in 1948.

He performed war staff studies in Egypt in 1957 and in India in 1958.

He was the commander of the Egyptian forces in Kuwait in 1961.

He was military attache in India until 1965.

He was secretary general of the Ministry of War in 1967.

He was chief of the artillery staff of the armed forces in 1972.

He took part in all wars -- thos of 1948, 1956, 1967 and 1973.

The last position he assumed was that of chairman of the Nasir Military Academy.

11887

CSO: 4504/59

PRIME MINISTER ADDRESSES COLLEGE GRADUATES

GF030521 Manama GULF DAILY NEWS in English 3 Dec 83 pp 1, 2

[Text] Bahrain's real wealth was embodied in her educated and trained citizens, H.E. the prime minister, Shaykh Khalifah ibn Salman Al Khalifah, told the first students to graduate from the island's University College.

It was a matter of pride that Bahrain now had facilities for higher education across the spectrum, from engineering to business administration and medicine, the prime minister told his audience.

While offering his congratulations to the 69 graduates, he reminded them that "the learning you have received has increased the responsibility you shoulder towards your country."

Their education should be used to further Bahrain's development, which could only be achieved by adhering to "real Islamic values.

"I don't want you to embrace the material aspect of civilisation and development," he cautioned.

The government, for its part, would do its utmost to create the right atmosphere for the useful employment of science, coordinated economic growth and equality in educational and social opportunities.

Bahrain was looking forward to the establishment of two universities shortly, the country's own establishment as well as the Arabian Gulf University.

The latter, he added, was a symbol of Bahrain's faith in the policy of cooperation and integration between the Gulf states.

The prime minister had earlier been greeted at the University College by Dr 'Ali Fakhru, chairman of the institution's board of trustees.

The prime minister handed out the degrees commenting that a society's progress was measured by its percentage of educated people and specialists.

CS0: 4400/86

BAGHDAD ATTACKS DISCRIMINATION AGAINST AZERBAIJAN

GF291703 Baghdad International Service in Azeri 1900 GMT 27 Nov 83

[Unattributed commentary]

[Excerpts] Dear listeners, as in the case of the other peoples in Iran, the heroic people of Azarbayjan have been living under the oppression of the fascistic Persian administration for many years now. But the people of Azarbayjan had joined the ranks of the heroic peoples of Iran who stood up against U.S. imperialism in Iran and the rapacious regime of the shah of Iran. They had raised their voices of opposition against them.

It is common knowledge that the (?incident) in Tabriz on 24 Bahman [18 February] marked a change in the nature of the struggle of the peoples of Iran. This struggle was converted into a merciless resistance as of that date. Imperialism and its local supporters were forced to give in as a result of this struggle.

Yes, 4 years ago the people of Azarbayjan made the following demands known through their united voice:

1. The people of Azarbayjan are struggling together with the peoples of Iran and will continue to do so. They will fulfill their historic duty for a free and independent Iran.
2. The people of Azarbayjan demand that Iran becomes a country in which every community is able to determine its own future. National oppression must be removed and Azeri children must study in the schools in Azarbayjan in the Azeri language.
3. Cities and towns in Azarbayjan have been converted into ruins as a result of forced emigration and economic oppression. Necessary steps must be taken to remove this oppression and to condemn the law which [words indistinct].
4. Representatives of toilers and workers must take their places in the revolution committees in Azarbayjan and elections must be held in all administrations and schools (medreseler).

5. The heads of [word indistinct] and administrations, who have been sent to Azarbayjan from various parts of Iran, must be replaced and local officials must be appointed to educational institutions through elections.

6. The criminals directly or indirectly involved in the massacre of the Iranian people must be tried by people's courts in as short a time as possible. No clergyman or mullah has the right to release SAVAK officials and the murderers of the people from prison with the [word indistinct] excuse.

7. The turbans of mullahs who describe Azeri Feda'iyen and [word indistinct] must be removed and they should be tried in a revolutionary way by the people's courts.

Yes, dear listeners, as you have observed, the people of Azarbayjan openly voiced their legitimate demands even at the tense stage of the people's revolution against the shah's regime. And, they had not hesitated to sacrifice their lives for the realization of their demands.

Currently however, the Khomeyni regime wishes to slander the patriotic people of Azarbayjan by describing them as secessionists--just as it has done so with the awakening of every national entity, describing it as a secessionist move.

The people of Azarbayjan are currently feeling the full weight of the national oppression. The Azeri people who do not know Persian do not have the right to [words indistinct] in the province. Under the circumstances, who is the secessionist? Is it the [word indistinct] law of the central government in Tehran which is based on discrimination or is it the Azeri mother who teaches her son his own mother tongue?

On the basis of what we have said above, the secessionist is not the people of Azarbayjan; it is the Khomeyni regime. Just as in the case of the regime of the shah of Iran, the Khomeyni regime is trying to crush the national entities. It is denying their national and natural rights. If it is the law that anyone who is secessionist is executed without a trial, then the fascist and chauvinist rulers in Tehran and Qom should be forced to face trial. [sentence as heard]

The movement of the people of Azarbayjan is continuing. Undoubtedly, this armed struggle will continue until final victory is achieved. Long live the latest armed revolution of the heroic people of Azarbayjan. Death to the chauvinist and fascistic Persian rulers.

CSO: 4400/34

BAGHDAD AZERI COMMENTS ON 'WORLD OF MULLAHS'

GF281341 Baghdad International Service in Azeri 1900 GMT 24 Nov 83

[Unattributed commentary]

[Excerpts] Dear listeners: The world of the mullahs is a different world. The world of the mullahs is one of hypocrisy, evasion, deceit, lies, and illiteracy. The world of the mullahs is one of nightmares, terror, death, and blood. It is one which aims at plundering the wealth of others and coveting the land of neighboring countries.

The world of the mullahs is not one of peace, prosperity, happiness, equality, and brotherhood. It is one of terror, suffocation, unhappiness, vagrancy, [word indistinct], and grudge. The world of the mullahs is not one of dignity, honor, esteem, and miracle. It is one of [word indistinct], dishonor, and poverty. The world of the mullahs is not one of progress, development, science, and education. It is one of reactionarism and illiteracy. The world of the mullahs is not one in which free-thinking people live. It is one in which the deviated, [words indistinct] live. The world of the mullahs is not one of peace and brotherhood but one of bloody wars and hatred. In short, the world of the mullahs is different than the world of the people living in the latter part of the 20th century.

Yes, the [word indistinct] of progressive humanity and the leaders of the army of the illuminated are furthering the banner of the struggle on their wounded and blood-stained breasts. Yes, they are radiating light against the dispeakable elements of the world of illiteracy. The (?followers of the) world of mullahs must either wake up and join progressive humanity or accept becoming the victims of the criminal moves of the school of Khomeyni and the (?inauspicious outcome of the blood-dripping concept of Khomeyni's Islam). This is because the forces of righteousness will be victorious over the forces of the satanic and dark mullahs. The world of peace and prosperity will put an end to the world of blood and wars. This is what humanity and history demands. History is the basis of common sense and wisdom. This principle will be realized in the end through the common sense and wisdom of the sons of progressive humanity.

CSO: 4400/84

PRICE OF SETTLEMENT ANALYZED

TA251527 Tel Aviv DAVAR in Hebrew 25 Nov 83 p 17

[Commentary by Dani Rubinstein: "The Price of Settlements"]

[Text] How much do the settlements cost the State of Israel's budget? From all the tests and data gathered in this connection, it would seem that the only basic fact is that discovered by Dr Meron Benvenisti. He found that to date about \$1.5 billion have been invested in the settlements. This is the sum total of the budgets of the Jewish Agency, the Jewish National Fund, and the government ministries since the year 1967, which was diverted to building settlements in the West Bank (but not elsewhere). This amount does not include the enormous defense and military budget channelled into the West Bank, of which a part (it is difficult to say just how much) also serves the civilian settlement (roads and buildings, for instance). Benevenisti, in his research study, presents the way the money invested has been distributed so far as follows: \$700 million were invested in housing construction (12,500 housing units) in the 98 settlements established in the West Bank; \$300 million were invested in establishing industries and sources of employment; \$75 million went for building some 200 km of roads; \$150 million were diverted to the development of an electricity grid, and water and communications systems; \$55 million were invested in preparing the ground for farming; and some \$250 million for infrastructures and services. To arrive at these sums, the various government budgets had to be gone through and checked in detail, as well as the budgets of the settlement institutions (Jewish Agency), the Jewish National Fund, and government and public companies.

The important and topical part of Benvenisti's study is not the portion dealing with how much has been invested so far, but that representing data on how much the Government of Israel is planning to go on investing in the West Bank this year and in years to come. According to the existing government and Jewish Agency programs, some \$2.5 billion are earmarked for the consolidation and expansion of the existing settlements, and for the construction of another 66 new settlements. This is a huge sum but, as stated, it is divided over a 5-year period, and annual investment would average about \$500 million.

There are a number of differences between the money invested so far in the settlements (about \$1.5 billion) and the money invested at the present time and that planned for the future (about \$2.5 billion). The first such difference is that in the past, practically all the money invested in settlements came from the public coffers. Now, and in future, with private planners and investors building and buying property in the West Bank, the settlement institutions have no need to invest all the money, but only 60 percent. Housing, for example, would only need about 30 percent from the public coffers (in the form of grants, loans and other subsidies), and the remainder would come from the people buying up apartments and houses in the West Bank. Where the building of an infrastructure and services within the settlements is concerned, the state will invest only about 70 percent, and not the entire amount, as it was wont to do in the past. In industry, the government will also finance only about 70 percent of the total, and so on and so forth. This means that of the \$2.5 billion planned for the settlements, the public till (the government and the Jewish Agency) will only invest about \$1.5 billion. To this we must add about another \$75 million every year--which is approximately what it would cost the state for ongoing subsidy of settlements in the West Bank--in helping to maintain the services, education, local institutions, etc.

After verifying the figures, Benvenisti takes another step forward and analyzes the real financial cost of the settlements. He tries to differentiate between the investments in the West Bank which are wholly aimed at political needs, and those investments that are reasonably economic in nature. For instance, when electric cables are laid from the power plant in Hadera to the Jordan Valley, a road is built from Jerusalem to 'En Gedi. There are investments that save the Israeli Government vast sums of money. When housing units, schools and dispensaries are built in the settlements, consideration must be taken of the fact that if these settlers were to live elsewhere in Israel then the state would have to invest money for their housing, education, and health. When this is taken into account, we find that out of the \$1.5 billion the state is planning to invest and is currently investing in the West Bank, only about one-third--about \$500 million--is used for political needs. In other words, because the state stubbornly persists in investing in the West Bank particularly, it is wasting some \$500 million. The remainder would have been spent by the state in any event. And now, if we take this \$500 million and spread it over 5 years, in accordance with the plan, the result is that the State of Israel is wasting comparatively small sums for political needs in the West Bank, sums which are actually very small indeed. If a decision were to be made, say, to invest these amounts in order to attract and encourage settlers to move to the Negev and the Galilee, the expenses would be several times higher. Unfortunately, this is now how matters stand. For the settlers in Ma'ale Adummim and Ari'el would not have gone to Qiryat Shemona, Zefat, or Mizpe Ramon even if they had been offered more extensive aid and subsidies. They want to live near the central part of Israel and near Jerusalem.

At the conclusion of his study, Benvenisti reveals that those who attack the settlements, challenging them from a purely economic aspect, are wrong. The

financial cost of the settlements is low, relatively speaking, and certainly reasonable. This is also why settlements have proved successful in the vicinity of Jerusalem and "10 minutes away from Kefar Sava." This is a form of settlement that merges with the needs of the economy, and the economic forces of the market spur it onward, so that even the political opponents of settlement cooperate in its implementation. The conclusion to be drawn, then is that the price of settlements is neither economic nor financial. It is political and social.

What kind of image will Israel have when the settlements bring about an annexation of the territories and the addition of a sizable Arab population? What kind of regime--political and social--will evolve, when on the one hand you have the Israelis and the settlers with their own series of rights, and on the side of the street you have the Arabs with a separate system of political and social rights of their own inferior and discriminated against? What kind of relations will develop between Jews and Arabs under conditions such as these? Benvenisti states that that is the only price, the real price, of the settlements. The price is disrupting democracy, distorting basic values of law and order, and perpetuating a bloody conflict. The financial and economic problem in this respect is comparatively marginal and unimportant.

CSO: 4400/89

ISRAELI-ITALIAN ECONOMIC COMMITTEE MEETS IN ROME

TA061822 Jerusalem Domestic Service in Hebrew 1705 GMT 6 Dec 83

[Text] Israel and Italy have an economic committee; this joint committee has been in existence for the last 30 years, however, for the past 20 years they did not meet. Although it was established in 1954 the last meeting between the two sides was in 1964. We have a correspondent in Rome, Yose Bar:

[Bar--live or recorded] It was Yitzhaq Shamir, during his term as foreign minister, who, about 1 and 1/2 years ago--when meeting his Italian counterpart, Emilio Colombo--put life back into the agreement.

Deputy Foreign Minister Yehuda Ben-Me'ir arrived in Rome at the head of an economic delegation in order to realize those agreements. In a talk I held with Yehuda Ben-Me'ir he explained the importance of the discussions:

[Begin Ben-Me'ir recording] I think this is a natural continuation to the intensified Israeli political effort in recent months to advance the Israeli economy and to increase the supreme effort we must make in order to advance on the road to economic independence at least. [end recording]

[Bar] The committee deals, among other things, with protecting Israel against the expected entrance of Spain and Portugal into the EEC, with expanding the commerce between the two countries, with cooperation in industrial-technological research, with joint activity in the Third World, with encouragement and protection of investments, especially Italian investments in Israel, and with boosting tourism.

According to Ben-Me'ir another reason for his visit is to explain Israel's policy in Lebanon to the Italian administration. In order to do so he will meet tomorrow with Italian Foreign Minister (Julio Andreotti) [name and title as heard] who will return from the Athens summit. This is Yosi Bar from Rome.

CSO: 4400/89

NOVEMBER ECONOMIC FIGURES REPORTED

TA021108 Jerusalem THE JERUSALEM POST in English 2 Dec 83 p 2

[Report by economic correspondent Avi Temkin]

[Text] The government printed IS36.2 billion in November, the Bank of Israel announced yesterday. About IS25 billion of this amount was used to buy bank shares under the terms of the government's agreement with the major banks.

About IS50 billion of the IS109 billion printed by the government so far during this fiscal year has gone towards the purchase of bank shares. The treasury had originally planned to print IS70 billion during the entire fiscal year, which runs from April 1 to March 31.

The Bank of Israel also officially announced yesterday that foreign currency reserves dropped by about \$89 million last month, the fifth consecutive monthly decrease in reserve levels. Foreign reserves stood at \$2.69 billion at the end of November, compared to \$3.2 billion at the end of last April.

The treasury said yesterday that much of the money printing was in response to developments in the capital market. The public sold about IS7 billion worth of government bonds, thus forcing the printing of that amount. An additional IS25 billion was needed for the purchase of the bank shares, the ministry said.

Just over IS4 billion was printed in November to cover government activities, the treasury stressed. This relatively low figure reflects the freeze on government spending last month, treasury sources said.

Economic observers pointed out that the government printing press will continue to be loaded with work during the next few months. The public has been increasing its withdrawals from saving schemes reaching maturity and this will probably necessitate large monetary injections.

The public is apparently trying to defend its purchasing power at the expense of past or current savings, the observers said. This explains the large withdrawals from savings plans.

CSO: 4400/89

NATIONAL POPULATION PLAN FOR 2010 REPORTED

TA071059 Tel Aviv DAVAR in Hebrew 7 Dec 83 pp 1, 2

[Report by David Ehrlich]

[Text] The master plan for population dispersion, which was approved by the National Council for Planning and Construction yesterday, refers to an Israel of 7 million inhabitants in the year 2010.

The population of the Jerusalem area will increase to 900,000 residents--an increase of 1 percent. Haifa will have over 1 million inhabitants.

Tel Aviv, on the other hand, will only be increased by 200,000 residents, and thus the city's population will undergo a drop of about 7 percent. The population of the towns surrounding Tel Aviv will also decrease proportionately, by 3 percent. A 5 percent increase is planned for the northern district, and 2 percent in the south.

The number of inhabitants of Judaea, Samaria, and the Gaza Strip in the year 2010 will be 125,000--about 1.8 percent of the country's population then. This will be three times the present percentage.

The Council also approved an interim plan referring to 5.4 million inhabitants, based on the same principles.

According to the master plan, there will be a flow of residents to certain preferred locations, at the expense of other sites. As regards implementation of the plan, the various government ministries will prepare development programs, based on these targets, within a year.

The plan concludes by noting: Wherever a new residential quarter or town is planned (in the less preferred locations) it will be necessary to set aside 50 percent of the value of such a location in order to compensate landowners whose lands have been recommended for expropriation in plans aimed at reducing general overcrowding and population density.

The present official administrative division of the country into six departments will be adopted by all the ministries in order to permit the preparation of regional development programs and to facilitate interministerial coordination.

CSO: 4400/89

BRIEFS

LEBANESE ANTI-ISRAEL LOBBY--A group of parliament members from southern Lebanon have formed a lobby designed to stop Israel, as they put it, from turning the area into its northern bank. Our correspondent Hayim Hecht reports that the lobby is headed by Sidon MP (Nazi'a Bizri Hadar Bizri). He accused Israel of putting economic pressure on those not cooperating with the IDF and of encouraging intellectuals to leave southern Lebanon. He called on the area's residents to fight Israel's annexation intentions by strikes, by demonstrations, and by banning Israeli officials. Israeli officials in southern Lebanon rejected his claims. They noted that (Bizri) has not succeeded in recruiting local leaders' support because they appreciate the order and security the IDF presence guarantees for the residents of southern Lebanon. [Text] [TA031034 Jerusalem Domestic Service in Hebrew 1000 GMT 3 Dec 83]

GAZA FRUIT, SFRY SHEEP EXCHANGE--The fruit growers of the Gaza Strip are exporting almost all their citrus fruit to Yugoslavia. Since Yugoslavia has difficulty in paying foreign currency for the fruit, Israel has agreed to accept live sheep in exchange. However, the government has imposed a levy amounting to \$1 per kilogram on the importation of live sheep. Furthermore, an import levy of \$100 per ton has been imposed in the importation of 400 tons of frozen mutton. While there has been an increase of sheepbreeding for meat in Israel, there is a shortage right now. Thus it was decided to import mutton from overseas. [Text] [TA231224 Tel Aviv MA'ARIV in Hebrew 23 Nov 83 p 5]

MAPAM MEMBERSHIP IN SOCIALIST INTERNATIONAL--MAPAM has been made a full member of the Socialist International after it was decided to grant it this status in the last Socialist International Congress a few months ago. MK El'azar Granot represents MAPAM in the congress opening in Brussels today. The Labor Party too is a member of the Socialist International and Israel is the third Socialist International country represented by more than one party. [Text] [TA232013 Jerusalem Domestic Service in Hebrew 2000 GMT 23 Nov 83]

NO AVIATION AGREEMENT WITH BARBADOS--Israel has rejected a proposal of tourism representatives from the island of Barbados in the Caribbean Sea to sign a mutual aviation and tourism agreement. The HA'ARETZ correspondent yesterday reported that in a meeting held last week in Jerusalem between the president

of "Air Caribbean," the Barbados Tourism Ministry representative and Israeli Tourism Ministry Director General Rafi Ferber, the Israeli representative said his ministry's policy is not to encourage Israelis to go abroad at the moment. Nevertheless, he added that a tourism flow could be established because the islands are close to Miami and there is an air route from that city to Israel. The tourism representatives from Barbados arrived in Israel after visiting Europe. They noted that the flow of tourism to the Caribbean islands had decreased recently due to the U.S. military invasion of Grenada despite the fact that Barbados lies about 20 miles away from Grenada. [Text] [TA241150 Tel Aviv HA'ARETZ in Hebrew 24 Nov 83 p 2]

QIRYAT ARBA' FIRING DIRECTIVES--The commander of the Central Command has summoned the leaders of Qiryat Arba' the day after tomorrow, 25 November, to give them directives on security and their behavior in view of stone-throwing. This has been reported by our correspondent Shalom Oren. The commander has informed the inhabitants of Qiryat Arba' that if there is no IDF force at the site of the incident, he is giving them authorization to capture the stone-throwers and bring them to an IDF or Border Police unit in the area. The commander has announced that the day after tomorrow he will give the inhabitants of Qiryat Arba' precise directives on the regulations for opening fire. [Text] [TA231955 Jerusalem Domestic Service in Hebrew 1900 GMT 23 Nov 83]

MONTHLY EXPORTS FROM LEBANON--The export of goods from Lebanon to Israel has recently reached a monthly scale of about \$10 million. At a meeting with a delegation of about 20 businessmen from the area of southern Lebanon yesterday, 5 December, in Jerusalem, Director General of the Ministry of Industry and Commerce Yehoshu's Forer said that Israel was interested in expanding trade with Lebanon on the basis of mutuality, and regarded this field as an issue that could develop into cooperation in other sectors, too. The meeting was attended by the head of the Civilian Administration [position name as published], Lieutenant Colonel Sha'ul Nur-El; the deputy director general of the ministry's foreign trade administration, Mr Moshe Smadar; and the ministry's director for the northern district, Mr Yesha'yahu Ben-Tzvi. Ways to expand mutual trade were also discussed, and various problems were raised. Mr Forer emphasized that Israel was also prepared to help southern Lebanese businessmen in transferring goods imported by them from other countries and sent to Haifa Port. He stressed that the Ministry of Industry and Commerce had established offices at the various border posts to help the Lebanese businessmen make deals with their counterparts in Israel. In the discussion, it was pointed out that there was a need to adapt trade procedures to the changing demands of the security needs. [By Yitzhaq Dish] [Text] [TA061136 Tel Aviv MA'ARIV in Hebrew 6 Dec 83 p 5]

CSO: 4400/89

SOCIAL DEVELOPMENT MINISTER REPORTS ON SUCCESSFUL PROJECTS

Amman AL-DUSTUR in Arabic 25 Oct 83 p 5

[Article: "Execution of a Pioneering Project to Improve the Situation of Rural Women and Their Families. The Concept of Social Development Has Been Deepened. Greater Equality of Services Has Been Achieved in Social Institutions"]

[Text] • The efforts of the Ministry of Social Development during the last year have been oriented toward firmly grounding the program which it has followed since its inception. This program rests on cooperation with the issue of development on a comprehensive, integration--oriented basis whose aim is to reach all sectors of society, as well as on the idea that social development is the right of each human being and each sector.

This is how Mrs In'am al-Mufti, the minister of social development, began her yearly report on the ministry's activities during the past year.

The Ministry's Activities

She went on to say that the work of the ministry had proceeded in three main directions:

First: Deepening the concept of social development as an idea and as a practice in the minds of those responsible for it, those who benefit from it, and those who take part in it. This is based on the notion that clear thinking and vision make for clarity of practice and execution.

Second: Developing the extant programs and improving the equality of service in the institutions belonging to the Ministry of Social Development in a manner consistent with the results of the ministry's experience in these areas and with modern trends in the methods of working with the groups which benefit from the services provided by the ministry. In addition, this should be done in a way consistent with the strategy of Arab social work.

Third: Expanding the programs and institutions in order to expand the group which benefits from the ministry's services. Qualitative expansion must not come at the expense of the quality of the programs and services

and their level. This must be done to respond to the phenomena and problems created by rapid social change, which must be confronted by national and official agencies.

How Was That Done?

"This is what we will try to answer, through the numbers contained in the report," said the minister. The numbers given in the table of expenditures on various programs show that last year the ministry spent 1,123,000 dinars on families and children. This amounted to 33.4 percent of the total budget, which was 3,263,000 dinars. Therefore, expenditures in this area rose by 169,000 dinars in comparison with the year before.

As for the area of developing local communities, the ministry registered an increase in spending in this field of 135,000 dinars, so that last year's expenditures of this kind reached 480,000 dinars. In the previous year, they had been 345,000 dinars.

Similarly, spending on special kinds of education increased by 52,000 dinars, reaching 706,000 dinars last year, while the year before it had been 654,000 dinars.

In the area of social defense, the ministry achieved a spending increase of 141,000 dinars. Spending in this area reached the level of 17.2 percent of the ministry's total budget, or 576,000 dinars for last year. The year before, it had been 435,000 dinars.

As for the area of social education, it witnessed a spending increase, too--one of 7,000 dinars. Last year, spending on this area reached 27,000 dinars, while it had been 20,000 dinars the year before.

Women's Affairs

The ministry also gave its attention to women's affairs. It increased spending in this area by 13,000 dinars, so that total spending in this field reached 73,000 dinars. The year before, it had been 60,000 dinars.

As for the College of Social Service, it was the sole program for which spending fell, as the figures present in the report indicate. This decrease was minor--no more than merely 9,000 dinars. It may have been due to the decrease in the college's capital expenditures. Spending on the college was 108,000 dinars last year, while it had been 117,000 the year before.

The Ministry's Directorates

On the level of the ministry's departments, each one worked on trying to achieve the goals set for it.

The department of social education issued seven educational publications on various social topics in order to increase the knowledge of those working in the social field. They were distributed to all concerned

agencies. The publications deal with the fight against smoking and its effects, the recommendations of the conference of administrative leaders and the provincial meeting on youth in the Arab countries, the effects of malnutrition, the morality and values of public responsibility in Arab public administration, population and the world, and change.

It also summarized six books and issued them as educational publications on the media and development, the care of teenagers, the problems of the family, the growth and upbringing of children within the family and the role of nurseries, and juvenile delinquency, as well as producing the chapter on social change in the sociology textbook.

The department issued a special educational publication on the occasion of Social Work Day, which falls in the beginning of April.

As for the directorate responsible for development in local communities, it formed local development councils in Kurayyimah Dhibyan, Umm al-Basatin, and Fuqu'. It also opened the social development center in Fuqu' and the local community development center in Marika al-Janubiyah and Hayy Hamlan.

The Development Projects

As far as development projects go, the department carried out seven drinking water projects which benefited 2511 people in al-Namatah, Buwaydat al-'Alimat, Rihab Bi'r Haddad, Mughayyir Sirhan, Jabir al-Sirhan, and Jil'ad. It also executed an irrigation canal project in the village of Sila' al-Tufaylah from which 1,000 farmers benefited. In addition, it built health facilities for the school of 'Anjarah in cooperation with the townspeople.

As for agricultural projects, 46,723 olive seedlings were distributed to the kingdom's farmers at reduced prices. Moreover, two units of plastic [green] houses were constructed at the local community development center in Sama al-Sirhan as an experimental demonstration for the farmers in the area.

The report also reviewed the activities of the local community development center in Sama al-Sirhan, Dhibyan and Kurayyimah.

The Princess Rahmah Center in 'Ilan accounted for a good share of the activity, since its study, research and documentation unit prepared the final drafts of the agricultural study and the study of employment opportunities for rural women in the district of Jarash, in addition to translating and printing the survey estimating the needs of the local community in the areas of 'Ilan and Jarash.

The center also held seven sessions which dealt with several sociological topics.

The Directorate of Women

As for the directorate of women, it carried out a pioneering, integrated development project in the villages of al-Sabihi and Umm al-Basatin. The goal was to improve the economic, social and cultural situation of rural women and their families. It also founded seven women's associations, in order to improve the lot of women and train them to take part in productive work. This was done in al-Kurayyimah, al-Sukhnah, al-Na'imah, 'Ajlun, al-Subayhi, Wadi Musa and al-Karak.

The family and childhood department provided financial assistance worth 289,446 dinars to the aged and disabled in various parts of the kingdom. It also provided financial assistance worth 229,965 dinars to needy families.

The department of social defense also achieved numerous accomplishments. Among the most prominent of these was the provision of services to 149 aged persons. This was done by admitting them to institutions for the aged which are supported by the ministry. It also provided assistance to 3,574 juvenile delinquents and prepared various needed studies on both of these groups.

Similarly, the office of volunteer agencies had achievements connected with the nature of its work. The office supervises social agencies and associations, evaluates their services, develops volunteer activity, provides financial and moral support for indigenous efforts, cooperates with foreign agencies working in the kingdom, guides these agencies, and founds special associations and womens associations in the countryside. The report pointed out that the number of charitable associations in the kingdom is 43,668. The number of volunteer associations is 301, and there are 9 foreign associations.

As Mrs al-Mufti said in the introduction to the report, it points out the variety of programs and projects without adopting a particular model. It does this based on the conviction that a multiplicity of varied models is appropriate for the initial stage. Thus, it is too early to evaluate the efforts exerted on this level. First the results of the experiment must become clear. Then it will be possible to determine the most successful programs and projects which will be used by the ministry in its work in the years ahead.

12224

CSO: 4404/131

DAILY CRITICIZES LABOR MINISTRY UNDER SECRETARY

GF181345 Kuwait AL-QABAS in Arabic 17 Nov 83 p 1

[Editorial: "The Interest of the Country Is Above the Interest of the Under Secretary"]

[Excerpt] There is a loud reverberating scandal in the Ministry of Social Affairs and Labor. Earnest official investigations are underway on the scandal as acknowledged by the senior officials concerned. We have unravelled the first threads of this issue within the framework of the popular censorship granted to us by the democratic society of the press--which some people consider to be the fourth authority and others consider to be one of the four authorities.

It is astonishing that Mr 'Isa Yasin, the Social Affairs and Labor Ministry under secretary, considers that what we stirred up about the scandal has only one goal, namely to slander him personally. He has interpreted exercising our role of press censorship as if it had been exercised for personal motives.

We don't know why some senior officials in the ministries become outraged when their names are mentioned in connection with mistakes made in their own ministries. In most democratic states, such as in Britain and others, an official will take the initiative and resign to expiate personal mistakes which don't even endanger the security of the state. We have seen recently how a minister in the British Government resigned for sentimental reasons when he fell in love with his secretary. Such an issue does not involve a case of forgery that is of unknown size and that may undermine the security of the state.

It is no longer acceptable that an under secretary in any ministry can continue to behave as if he were beyond questioning and as if the sacred rule has become "booty for the under secretary and punishment for the subordinate." The subordinate is usually a small victim used to cover up for the big heads or a scapegoat or an immolation for ministry "weedings."

We also say that this ramified and "many-sided" case--as described by the under secretary--should expose all parties without exception. Ramification should not be a means of delusion or obliteration.

CSO: 4400/86

OFFICIAL CITED ON EURO-ARAB DIALOGUE

LD291608 Kuwait KUNA in English 1101 GMT 29 Nov 83

[Text] Paris, Nov 29 (KUNA)--Undersecretary of Kuwait's Ministry of Information Shaykh Nasir Muhammad Al Ahmad underlined here Tuesday that Euro-Arab cooperation should involve political questions as well as economic issues.

Shaykh Nasir, who was addressing a one-day seminar on Euro-Arab relations, noted that the European party to the Euro-Arab dialogue has insisted on keeping it within the economic sphere.

The undersecretary hoped that the seminar jointly sponsored by the Gulf Petroleum Information Committee and the International Diplomatic Academy would lead to a stronger cooperation between the two sides in various issues.

The Kuwaiti official recalled that the idea of such dialogue has emerged only after the Arab-Israeli 1973 war and the ensuing Arab oil embargo imposed "for the reasons known to you all."

The European Economic Community's (EEC) policy and particularly France, indicates a deeper feeling of the strategic and economic importance of the Arab Gulf region, Shaykh Nasir noted, and added that "the (EEC) member countries should further pay greater attention to the Arab states' endeavor to solve development-caused problems."

Shaykh Nasir highlighted that certain facts should be outlined to attain a constructive and useful dialogue topped by the fact that the increase in oil prices may have caused confusion to Europe's economy, but at the same time, "a decline in oil prices will have no less effect."

Another fact is that the European states' exports have flourished because of the Arab countries' soaring demands, particularly the oil producing states, the undersecretary said adding that the "rich Gulf countries" are still developing nations which consequently insist on "economic development in return for oil."

The Kuwaiti official underlined in this respect that the European community will not find a stable market unless it approves serious negotiation on the basis of development in return for oil.

The current Mideast conflicts threaten an imminent explosion not on a limited geographical or political sphere but rather on the world scene, Shaykh Nasir said, and underscored that the Palestine cause is the core of the problem facing the Arab nation and hence shaping Euro-Arab political relations.

Time is passing without finding a settlement to that crisis which we believe should include the recognition of the Palestinian people's legitimate rights topped by self-determination which will be a loss to all, the Kuwaiti information official warned. [sentence as received]

The Kuwait official hailed the EEC role in general and the French stands in particular regarding the Palestinian question.

Shaykh Nasir said: "We know that the Europeans alone cannot put an end to that (Arab-Israeli) conflict but they can practise influence on other parties who can help in reaching a just and permanent settlement."

"Developing solid ties between our peoples can be only feasible in an atmosphere of political stability and peace," he elaborated and stressed that if these were not established then "our economic efforts and accomplishments will be lost."

"It is difficult to separate politics from economy as our European partners to the dialogue insist," the undersecretary pointed out.

"We, in the Gulf, believe and [word indistinct] proud of being part and parcel of the Arab nation and consequently what affects any (Arab) people has a direct impact on us," the Kuwaiti information chief went on.

He resolved: "Thus, what is so-called the Euro-Gulf dialogue can never replace the Euro-Arab comprehensive dialogue just because the latter faces a deadlock because of some political factors."

The Gulf Cooperation Council welcomes cooperation talks with Europe which complements the Euro-Arab dialogue and not contradicts it, Shaykh Nasir said.

Shaykh Nasir shifted to the creation of the Gulf Cooperation Council (GCC) in 1981 pointing out that the GCC had coronated [as received] the growing economic cooperation among its six members.

Several historic, geographic, political, economic and cultural factors have led to the establishment of the GCC, he (?said) adding that the council's creation coincides with the overall Arab ideology calling for pan-Arab economic integration.

The several difficulties which hindered the creation of an Arab economic unity in the early fifties have necessitated the creation of regional units based on identical geographical circumstances and similar economic and social structures, Shaykh Nasir elaborated.

He pointed out in this respect, that the EEC should be naturally the greater sympathisers toward the GCC's goals of coordinating member-countries' economic, political, social and military policies since the EEC is taking a similar course.

The Kuwaiti official asserted, however, that economic integration alone is not the aim of the Gulf Council, as the case with the EEC, but rather the council has been the brain-child of a joint conviction that "solid economic development within the current entities is impossible."

No real development would be possible without the exporting other materials than [word indistinct] oil wealth, Shaykh Nasir emphasized and added that collective economic efforts by the GCC members will prevent duplicity [as received] of industrial ventures as well as in other fields.

The Kuwaiti undersecretary advocated the role of the GCC, which groups his country along with Saudi Arabia, Qatar, Oman, Bahrain and the United Arab Emirates, as a mediator between the council members and the world.

Economic practice dictates the strengthening of relations between the GCC and EEC, Shaykh Nasir advised and elaborated that the Gulf states supply EEC members with 70 percent of their total crude output.

Noting that all Gulf exports are energy products, Shaykh Nasir said that opening the way for other kinds of exports will help to a great extent in introducing new horizons of cooperation.

The undersecretary noted that, the EEC exports to the Gulf region constituted only 1.6 percent of its total exports in 1973 while at present they reached more than eight percent.

"Our discussion here on establishing more cooperation and understanding on means of attaining reciprocal interests" is a step toward the vital target of winning (?European) encouragement to Gulf industrial produce, he explained.

The Europeans have to recognize the Arab world's identity and future ambitions "and we have to recognize your independent personality, aspirations and needs," he said.

Shaykh Nasir concluded: "We both face the same challenges, subsequently political and economic logic requires joint efforts in search of solutions which can only be possible if we operate on an equal footing."

CSO: 4400/86

BRIEFS

FRENCH-KUWAIT INFORMATION COOPERATION--Paris, Nov 30 (KUNA)--Kuwait and France have agreed to coordinate and develop cooperation in the field of information following talks here between Kuwait's Information Undersecretary Shaykh Nasir al-Ahmad Al Sabah and French Minister of Culture Jack Lang. At a meeting Tuesday the two men discussed bilateral relations, particularly Franco-Kuwaiti cooperation in the fields of culture, art and information. Shaykh Nasir and members of the Kuwaiti delegation, including Kuwait's Ambassador to France 'Isa Ahmad al-Hamad and the chairman and director general of the KUWAIT NEWS AGENCY (KUNA), Barges H. Barges, agreed on the necessity of coordinating and developing cooperation between France and Kuwait in the information sector, particularly in fields of common interest. They also agreed to produce joint television programs. Meanwhile, Shaykh Nasir is scheduled to attend a session of the French National Assembly, Wednesday, where he will be received by the President of the Assembly, Louis Mermaz. Prior to the meeting, the Kuwaiti official is expected to be received by the president of the Senate, Alain Poher. [Text] [LD010446 Kuwait KUNA in English 1031 GMT 30 Nov 83]

CSO: 4400/86

JUNBLATT BRIEFS DRUZE LEADERS ON GENEVA TALKS

Beirut AL-NAHAR in Arabic 9 Nov 83 p 4

/Article: "Junblatt: 'The War Has Not Yet Ended. We Prefer the Rounds to be Political'"/

/Text/ Mr Walid Junblatt, the head of the Progressive Socialist Party, has announced, "What happened in Geneva was an introduction to a long dialogue." He also said that the war "has not ended yet. We won the first round, but there are others coming, and we all prefer them to be political."

Junblatt arrived in al-Mukhtarah from Damascus on Sunday evening, after having taken part in the national dialogue conference in Geneva. Starting on Monday morning, delegations and individuals from the villages came to al-Mukhtarah Castle to congratulate him on his safe return. He received Shaykh al-'Aql of the Druze sect, Muhammad Abu Shaqra, Amir Talal Arsalan, and former deputy Shaykh Qahtan Hamadah, as well as many other persons and delegations.

Shaykh al-'Aql

On leaving al-Mukhtarah, Shaykh al-'Aql said: "This visit to this civilized house had to be made, so that I could meet with the noble leader, Walid Bey Junblatt after his return from Geneva. He told us about the talks that were held and the results which are hoped for from the meeting in Geneva. We and all Lebanese desire that his meeting will bring stability and security to the country, if God wills."

Among the gentlemen who went to al-Mukhtarah were Lt Col Sharif Fayyad, Akram Shahib, Anwar al-Fitayiri, Hisham Nasir-al-Din, Da'ud Hamid, the secretary of urban administration in the Shuf, 'Adil Suyur, and two members of the administration, Sulayman Taqi-al-Din and Lt Col Riyad Taqi-al-Din.

At noon, Junblatt and Amir Talal visited the town of al-Baruk. They were accompanied by former deputy Qahtan Hamadah. A festive reception was held for them in the main square. The shaykhs and the people, both men and women of all ages, gathered there. The students from the schools lined up and applause, shouting, and trilling cries of joy were heard. Two young women presented them with two bouquets of flowers. All along the road between the main square and the town hall, the people threw rice, perfumes and lowers on the procession.

Jumblatt

At the town hall, the people welcomed the guests. Jumblatt spoke. He said: "Until now, we consider ourselves victorious, both as a party and as the Druze sect. We have achieved our goal of defending our dignity and existence. However, another more important goal remains. It is the realization of our national and our Druze demands. In view of our size and numbers in this country, our demands are not inconsistent with the country's. What happened in Geneva was a prologue to a long dialogue. No one thinks or is deluded into thinking that the war is over. The war has still not ended. We won the first round, but there will be others, and we all prefer them to be political. However, there is no alternative to prudence, wakefulness and caution. This means we must hold onto our weapons and train still more, because the enemy we confront is treacherous. He might commit an act of treachery at any moment. As you know, the war fronts are still not quiet. Let none of us forget that the front is still on fire in Baysur, Suq al-Gharb, Shamlan, 'Aley, and the province of al-Kharub. We must not sleep on our laurels. We must continue to train in our villages and camps and on the front. This is what I wanted to say to you today. Moreover, I tell you that the cause of our success was our unity and faith. We attacked no one. Rather, they attacked us. If Amir Talal permits today, unity of action and speech will be represented more and more in this meeting. Great hopes rest on him. He is at the beginning of his road. Time stretches out before him. We are all with him."

Jumblatt promised to visit al-Baruk and other villages in the near future, "in order to offer my condolences for the town's martyrs, those martyrs who died for the sake of the battle for dignity and honor."

He said: "We will not forget the circumstances which surrounded the passing away of Amir Majid Arsalan, for we have not been able to do our duty. However, perhaps when suitable security circumstances allow, the entire mountain will do its duty for this patriotic man, who fought, struggled and died for the sake of the unity and independence of Lebanon."

The head of the Progressive Socialist Party was asked about the solution. He replied: "There is no solution for the near future, as you heard from Geneva. We talked about the Arab identity of Lebanon and the agreement (with Israel), but we still have not discussed the issue of the refugees or the other issues, such as political reconciliation."

He was asked about his evaluation of the Geneva conference. He replied: "The ball is in (President) Amin al-Jumayyil's court."

Concerning the fate of the political demands, he said, "We consider the demands for reform and the political demands to be essential. We still have not reached them. We have many clauses to discuss."

He was asked whether the political demands, the identity of Lebanon, and Lebanon's Arab nature were acceptable. He replied: "The important thing is not who accepts them, but who guarantees the execution and who implements them."

Concerning his meeting with President Camille Sham'un in Geneva, he said, "Basically, and insofar as the policy on the Shuf alone is concerned, I have reached a mutual understanding with Camille Sham'un. As for policy in general, it is possible we were adversaries. There are adversaries beside us. In the Shuf, we have an understanding. If Camille Sham'un had been in charge in the Shuf, this disaster would not have happened to us. Insofar as Dayr al-Qamar in particular is concerned, there is complete coordination between myself and Camille Sham'un."

Concerning Sham'un's statement that the chance of reconciliation was 50 percent, he said: "That which was agreed on at Geneva was the start of a long dialogue."

When asked about the Israeli bombing of some Druze areas, he answered, "I have already confirmed that we have no connection with what happened in Tyre, both as the Progressive Socialist Party and as the DRuze sect. Why are our areas being struck again?"

Concerning the position of the Druze of Palestine, he said, "I have already thanked the Druze of Palestine, who are headed by Shaykh Amin Tarif and his comrades, the members of the Druze Followup Committee, for what they did on the information and political levels."

When asked about the observers, he replied: "Whom do you want to preserve the lives of the Greek and Italian observers when they come? No one dare come because who is going to provide the protection that is necessary for them?"

The Amir Talal

Amir Talal spoke: "We promised the people of al-Baruk, this ancient, noble Druze town, a visit a year ago. However, we were surprised by the circumstances of the illness of my late father and by his death during these crucial days through which we are passing. As circumstances would have it, we have come with Walid Bey to this noble town. We hope that our sect will be more and more united. Perhaps God will grant us and him the opportunity to serve this noble sect."

The words of Arsalan and Junblatt were met by shouting and clapping.

The mayor of al-Baruk, Shaykh 'Abbas Mahmud, made remarks of welcome in the name of the town: "We support this solidarity between Walid Bey and Amir Talal. The entire Druze sect is by your side. All are ready for sacrifice and martyrdom and for the sake of the glory and dignity of the sect."

At 1:30, Junblatt and Arsalan left for B'aqlin, to eat lunch at the table of Shaykh Qahtan Hamadah.

12224

CSO: 4404/122

RASHID KARAMI DISCUSSES TRIPOLI SITUATION

PM251537 Damascus AL-BA'TH in Arabic 18 Nov 83 p 3

[Interview with former Prime Minister Rashid Karami by Samir 'Arbash in Damascus; date not specified]

[Excerpts] Question: The U.S. administration, together with Israel, still proclaims its adherence to the Shultz [Lebanese-Israeli] agreement. Meanwhile, President al-Jumayyil is preparing to leave for a visit to Washington. Do you expect an announcement nullifying the agreement, either unilaterally by the government or by the contracting parties?

Answer: In fact the 17 May agreement was stillborn; it is null and void. First, because it was signed under the pressure of occupation and, second, because the conditions for its implementation set out in the letters exchanged between the United States and Israel make it inapplicable. The first condition is Syria's withdrawal from Lebanon. Syria has affirmed that it will withdraw only after Israel withdraws unconditionally. The agreement consists entirely of conditions prejudicial to Lebanon's sovereignty, Arab character, and integrity. It also threatens Syrian national security.

The second condition is the handing over of prisoners. Of course, Lebanon has no prisoners, so how can it hand them over. The same thing also goes for corpses, which Lebanon does not have. In any case, even Israel did not abide by the agreement. When it withdrew from the mountain area it did not do so in accordance with the agreement; its withdrawal was with the intention of exploding the situation there. Therefore, we consider the agreement extremely dangerous and harmful to Lebanon because Israeli occupation under this agreement acquires some sort of legitimacy. If the agreement remains frozen without being nullified it means accepting occupation indefinitely. For this reason we have insisted on nullification. It is for the sake of preserving our country's sovereignty and wiping out all the gains and advantages Israel is dreaming of reaping from invading Lebanon. For this reason the discussion at the Geneva conference concentrated on these matters. And on this basis the president of the republic has been charged with carrying out international contacts, especially with President Reagan.

Question: What about the U.S. military concentrations and their relation to the contract of submission and the situation in the Middle East in general?

Answer: We must look at the present state of the 17 May agreement. It has not been ratified, nor have the instruments of ratification been exchanged, which makes it invalid. This, in my view, is because the government feels that the "agreement" is unsuitable for achieving the liberation of Lebanon and preserving its sovereignty. Second, there is no doubt that the United States has its objectives and interests in the area. It is trying to extend its domination through military force and through the establishment of areas with whom it makes arrangements and concludes agreements, as in the case of Egypt, Lebanon, Somalia, and so on.

Also we must not lose sight of the fact that the existence of such a large concentration of fleets close to our shores is directly connected with the Gulf war and the present threats such as the closing of the Strait of Hormuz and the bombing of oil installations. We know how closely Western interests are linked to this natural Arab wealth, which we have never known how to exploit in the service of our struggle and defending our rights. In fact today, as a result of these threats and designs, it has become a source of danger to us.

For this reason, I would say that what is happening in our area is grave but it should not intimidate us or weaken our steadfastness and struggle, because even the United States itself, under the present balances of power, is not free to act or to move. This is because in the final analysis nobody can go beyond the red lines and therefore threaten world peace with his actions. Therefore I believe that the United States is feeling that it is becoming more and more involved in Lebanon and the area in general. For this reason the United States will probably need our help to get out of this quagmire. This would come about through the unity and solidarity of the Lebanese and their adopting a national stand which would be a stand in the face of the United States. Thus, once this is achieved, Lebanese officials can say that since there is a unified Lebanese stand we must comply with the people's will and achieve what is in the interest and sovereignty of the country. In which circumstances the United States could justify its withdrawal to U.S. public opinion. In any case I believe that all these threats and all this uproar are only for the purpose of saving face.

CSO: 4400/86

HEAD OF PHALANGE PARTY DISCUSSES GENEVA CONFERENCE

Beirut AL-NAHAR in Arabic 10 Nov 83 p 3

/Article: "The Head of the Phalange: 'Everything Can Be Discussed, Under the Condition that Lebanon Regains its Real Security'"/

/Text/ The head of the Phalange Party, Shaykh Pierre al-Jumayyil, announced yesterday, "Everything can be discussed, but under stable security conditions." He rejected discussing the constitution, "before the country regains its true security."

The Lebanese Front held its weekly meeting at the Monastery of St George in 'Ukar at 9:30 in the morning. Former President Camille Sham'un, who is in Paris, was absent. Al-Jumayyil, Deputy Edouard Hanin, Dr Fu'ad Ifram al-Bustani, Dr Charles Malik, and the leader of the Lebanese Forces, Mr Fadi Ifram, were present.

Sources inside the front expected that Sham'un would return to Beirut in the next few days, unless he decided to make a European tour, after which he would return to Geneva directly to attend the second session of the dialogue conference.

It was understood that the discussion at the meeting focused on three main topics:

1. The Geneva conference. Al-Jumayyil told those in attendance about the atmosphere which dominated the dialogue conference. He confirmed to them that the last 2 days of the conference had been characterized by realism and candor, and that they had been important.
2. The security situation. Those in attendance reviewed the security situation pertaining in the north, the south and the mountain. They thought that what had happened in the north and the south was an "inevitable result" of the continued presence of foreign forces in Lebanon. As for the matter of the ceasefire violation in the mountain, it monopolized great interest, especially since it came a few days after the conclusion of the dialogue conference. They thought that the continued violation of the ceasefire, coupled with random shelling targeted at the population centers on Monday, "threatens the continuation of the dialogue."

3. The meetings of the followup committee in Geneva. Those in attendance discussed the atmosphere of the sessions to be held in Geneva by representatives of the main participants in the dialogue.

Al-Jumayyil

After the meeting, Shaykh Pierre al-Jumayyil said: "The dialogue conference which was held in Geneva was important as an idea. However, its importance increased when the discussions began to develop in the direction of matters which were more serious, in view of their sensitivity. I believe this is what gives the meeting its seriousness, after many attempts which failed. The conference is important because the meeting brought together the participants in the war. Some blamed it for not having all the sects represented.

"The question to be asked today is whether the meeting was some kind of victory. I believe that merely meeting under one roof and beginning a refined, sincere dialogue under the circumstances we have experienced is something of great importance.

"Let us take this opportunity to note that after 8 years of war, the country has become a center for international sabotage. The seriousness of this has gone beyond Lebanon to affect the Arab world and the world in its entirety. Therefore, we are eager to deal with this danger on the international level. Of course, the discussion included in the subject of Lebanon's identity, the 17 May agreement, and the security problem in this country, since it is unreasonable to discuss matters of this seriousness and importance in a situation of degenerating security."

Someone said to him: "You have said before that it is not proper to discuss the constitution, and that you will not consent to do so." He said, "I wish you would not tell me things I did not say. I did not say that the constitution cannot be touched, since everything can be discussed. However, there have to be stable security circumstances. I call on those who want what is best for Lebanon to read and study the constitution deeply, focusing on what is between the lines. They will see that those who drew up the constitution were competent people in terms of both politics and psychology. I reject any discussion of the constitution before the nation regains its true security."

Concerning the subject of Lebanon's identity, he said: "I am sorry, because the proponents of Lebanon's Arab identity who are dedicated to and believe in the Arab cause are treading a path which harms the idea of Arabism itself more than anything else, for compulsion and insistence lead to doubt and caution. This is especially true because Arabism is one of Lebanon's problems. Every time the issue of Lebanon's Arab nature is brought up for discussion, it creates a new problem. It was the Lebanese who spread the Arabic language through the world, at a time when the region was succumbing to a campaign of "Turkification" in the age of the Ottomans. I remember well a lecture I heard 30 years ago whose subject was "The Arab Press in the World." It was made clear that 75 percent of the owners and editors of the Arab press were Lebanese."

He added: "The issue of Lebanon's Arab nature is still a subject for discussion 40 or 50 years later, and we still have not reached a solution. You are a journalist and I am a chemist. Neither of us can determine Lebanon's identity. On this basis, I suggested experts be commissioned to study this issue and work out a solution for it. In view of its importance, it deserves to be clarified and to have a limit placed on the debate. The regrettable thing is that Arabism has today become a sectarian matter. One cannot proselytize for it via force and compulsion because religion and doctrine require inner conviction. Of course, Lebanon is the only country in the region in which every person, be he Sunni Muslim, Shi'i or Druze, feels that he is in his country, just as the Christians do, no matter what sect they might belong to. Thus, the Christians have begun to feel uncertain and to fear the loss of Lebanon's unique formula. Some proponents of Arabism may blame me for hesitating with regard to the matter of Lebanon's identity, but I say that a matter of such importance must be decided practically. The Lebanese must handle it on a patriotic basis and with complete faith."

In answer to another question, he said: "The matter of the agreement of 17 May was the subject of deep discussion at Geneva. Some thought there were two ways to have Israel evacuate: The first is military, while the other relies on agreement. After an exhaustive discussion, we thought that canceling the agreement would mean keeping Israel in the South. As a consequence, Syria would stay in the Biqa' and the North. Everyone expressed their admiration for the wisdom the president of the republic showed in presiding over the sessions. He won the confidence of those in attendance. We agreed to delegate to him the task of dealing with the subject of the agreement on the Arab and international levels through visits to a number of countries, with the goal of solving this problem and regaining Lebanon's absolute sovereignty over all its territory. Let me point out here that the problem of stopping the war and providing practical guarantees in this area took up a large share of the discussions, because matters of such seriousness cannot be resolved as long as three-fourths of the country are occupied, while the state does not control the unoccupied fourth as it should. This is not to mention the war going on in the country, which which it has nothing to do. It is a war fought by others on the country's land."

12224

CSO: 4404/122

LEBANESE COMMUNIST OFFICIAL CALLS FOR PLO UNITY

GF240814 Aden Voice of Palestine in Arabic 1822 GMT 23 Nov 83

[Column by Muhsin Ibrahim, secretary general of the Organization of Communist Action in Lebanon published in the PLO organ FILASTIN ATH-THAWRAH: "The Opportunity Is Not Yet Lost"; date of publication not given]

[Excerpts] When (?you) left Beirut, I found two kinds of Arabs. There are Arabs who want to revenge for Beirut and there are Arabs who want to revenge from Beirut. It is a required and legitimate matter that the Palestinian revolution should review its course after Beirut, in light of the circumstances which we experienced in Beirut. But we honestly believe that there is no use and no way for a real review if the means for a review is internecine fighting. We also believe that a review of PLO's course is useless, if the price of this review will be a loss of the PLO.

In the name of the Lebanese nationalists, who fought next to you and made Lebanon welcome the Palestinian revolution, I tell you that this fighting indicates the severity of our catastrophe. While I express my feelings, I would like to announce again and in the name of the Lebanese nationalists, that we firmly refuse the fighting and we cannot understand at all the logic of any separation. We can never approve of any operation that destroys this national accomplishment, which equals the Palestinian people's existence.

I appeal to you again to totally adhere to the unity of the PLO, in its capacity of the sole legitimate representative of the Palestinian people, in their struggle for the establishment of their independent Palestinian state on their land. I also call for quick initiatives to revive the responsibility of the national Palestinian legitimacy to find a national and democratic solution to the (?separation) which the revolution is facing in order to preserve this huge national achievement for you and for us.

The nationalist Lebanon which resists the Israeli occupation is still ready to be a channel for the Palestinian revolution in confronting the Israeli occupation.

O Palestinian revolutionaries, we are in need of you in southern Lebanon and we cannot understand at all the logic of any fighting which is not directed toward the south.

CSO: 4400/86

POOR AGRICULTURAL CONDITIONS IN SOUTH DETAILED

Baghdad AL-THAWRAH in Arabic 25 Sep 83 p 4

[Article: "Effects of the Zionist Economic Invasion of Lebanon"]

[Text] With the continuation of the Zionist occupation of Lebanon, and the penetration of the economic invasion of the local markets on all levels, official statistical data has come to light about the results of the Zionist economic invasion and its deep effects on the economic structure, especially on the agricultural and commercial levels.

The available data in this regard has been cited in two reports, one issued by the Lebanese Fruit Office and the other by the Beirut Chamber of Industry and Commerce.

The two reports, with documents and statistics, make clear the dangerous extent reached by the Zionist economic invasion on the Lebanese economy, after the passage of a year and one half of Israeli occupation, over the economic and security remnants in Lebanon, and especially the South, with its measures and actions of annexation and expropriation.

In comparing the percentages of exports of Lebanese origin and exports of foreign origin, the official Lebanese data reports the following:

The value of Lebanese exports, during the first half of 1983, is estimated at 1.646 billion Lebanese pounds, compared with 3.222 billion in the comparable period of 1982, i.e., a drop of 48 percent. The first half of 1982 had achieved an increase amounting to 17.6 percent over the same period in 1982 [sic].

Regarding exports of Lebanese origin licensed by the Lebanese Chambers, the reports mention that exports of the first half of 1983 had decreased by 48 percent over the same period last year, since they totaled 1.152 billion Lebanese pounds, or close to 70 percent of the total Lebanese exports.

Moreover, the total exports that the Beirut Chamber of Commerce alone certified amounted to 964 million Lebanese pounds, i.e., about 58 percent of the total Lebanese exports, whereas the Tripoli, Zahleh and Sidon chambers certified 12 percent of the total. The total exports of Lebanese origin, licensed

by the Beirut Chamber of Commerce and Industry, and for which we have precise statistics, amounted to 964 million Lebanese pounds, i.e. 83 percent of the total chamber exports.

It is clear from the monthly rate of exports licensed by the Beirut chamber during the first half of 1983, that there was a huge decline of 49.1 percent, compared with the same period of last year. Exports continuously declined from the month of January through June of the current year, if we compare them with the exports of the same months in 1982.

The importance of the kinds of exports of Lebanese origin according to the Beirut chamber:

A big change occurred in the percentages and importance of kinds of exports, compared with the first half of 1982. The Lebanese exports were no longer distinguished by the great variety as they used to be. Precious stones, products of the chemical industries, textiles, minerals and electrical equipment made up two-thirds of the exports of Lebanese origin.

Markets for exports of Lebanese origin and licensed by the Beirut chamber:

It is clear from statistics that 93.9 percent of the total exports certified to be of Lebanese origin go to the Arab countries.

As regards exports of foreign origin, the report says:

1. Exports certified by the Lebanese chambers.

Exports certified to be of foreign origin continued their decline in all the chambers in the first half of 1983. They totaled 526.2 million Lebanese pounds, registering a 51 percent drop compared with the first half of 1982.

Moreover, the total exports certified by the Beirut chamber alone was 348 million pounds, i.e. 66 percent of the total chamber exports, whereas the Tripoli chamber certified 33 percent and the Sidon and Zahleh chambers 1 percent.

2. The monthly development of exports attested to be of foreign origin by the Chamber of Commerce and Industry in Beirut.

The total exports attested to be of foreign origin by the Beirut chamber, and for which we have accurate statistics, amounted to 348.5 million Lebanese pounds, or the equivalent of 66 percent of the total exports of the chambers.

The monthly development of exports of foreign origin, during the first half of 1983, shows a huge decline of 60.5 percent, compared with the same period last year.

3. Comparison of exports of Lebanese and foreign origin.

Exports attested to be of foreign origin in the Beirut chamber declined in the first half of 1983, amounting to 348.5 million Lebanese pounds, i.e.,

46.5 percent and 42.6 percent respectively of Lebanese exports in the first half of 1982 and 1981.

4. When comparing the origin of most commodities that were re-exported by the industrial countries (88.9 percent) with the first half of 1982, we note the following:

A decline in the origin of exports from the Socialist countries by 50.3 percent, from the European countries by 65.2 percent, and from the American countries by 62.5 percent.

In the first half of the current year, the distribution was as follows:

The Socialist Common Market, 131.5 million Lebanese pounds

The European Common Market, 102.4 million Lebanese pounds

America, 40.4 million Lebanese pounds.

The destination of most of the re-exported commodities was the Arab countries (97.2 percent).

The Fruit Tragedy

In the detailed context, as cited in the report of the Lebanese Fruit Office, we can clearly see the extent of the tragedy that has befallen Lebanese fruit in all its different variety. The rapidity of the deterioration and decline, which they have suffered, is also clear, and is due to the competition with products being brought in from occupied Palestine. Another cause is the lack of security stability, especially in the occupied areas, which limits the freedom of movement by the farmers and property owners in the South, the Jabal and the areas of al-Shuf and Kasrawan.

The highlights of the report reveal that the total fruit exports of Lebanon, during last July, amounted to 16,561 tons, compared with 22,670 tons for last June. This is a decline of 6,109 tons, or some 26.9 percent. The exports for July 1982 amounted to 15,069 tons, due to the "Israeli" invasion. In other words, last month's exports increased only 1,493 tons over last year.

Saudi Arabia imported 45 percent of the total of these exports, or some 7,460 tons, Kuwait some 18 percent or 3,035 tons, and Dubayy 13 percent or 2,246 tons.

The various types of fruit exports during last July were distributed as follows:

Apples: Lebanon's exports of apples during July 1983 amounted to 355 tons, compared with 187 tons exported during July 1982, i.e., an increase of 168 tons.

As for the total volume of apples exported during the 82/83 season, which ended the end of July, it amounted to 69,269 tons, compared with 70,814 tons exported during the 81/82 season, i.e., a shortfall of only 1,545 tons.

Oranges: During July 1983, Lebanon exported 2,218 tons of oranges, compared with 667 tons during July 1982, i.e., an increase of 1,551 tons.

The total volume of oranges exported during the 82/83 season, beginning in September 1982 and ending in July 1983, was 71,969 tons, compared with 81,453 tons during the 81/82 season, i.e., a drop of 9,484 tons.

Lemons: During the month of July 1983, Lebanon exported 1,088 tons of lemons, compared with 1,281 tons in July 1982, i.e., a shortfall of 193 tons.

As for the total volume of lemons exported from the start of the 82/83 season until the end of July 1983, it amounted to 16,130 tons, compared with 15,819 tons exported during the same period of the 81/82 season, i.e., a drop of 311 tons [as published].

Grapefruit: Lebanon's exports of grapefruit during July 1983 amounted to 161 tons, compared with 30 tons exported in July 1982, i.e., an increase of 131 tons.

The total volume of grapefruit exported from the first of the 82/83 season up to the end of July 1983 was 5,935 tons, compared with 10,717 tons exported during the 81/82 season, i.e., a shortfall of 4,782 tons.

Plums and green plums: Lebanon's exports of plums and green plums during July 1983 totaled 1,657 tons, compared with 1,893 tons exported during July 1982, i.e., a drop of 136 tons.

The total volume of plums and green plum exports from the beginning of the 1983 season (April 1983) amounted to 3,197 tons compared with 3,113 tons exported during the same period in 1982.

Apricots: During July 1983, Lebanon exported 3,745 tons of apricots, compared with 3,865 tons during July 1982, i.e., a decline of 120 tons.

The total volume of exported apricots, from the beginning of the 1983 season (May 1983) up to the end of July 1983, was 1,494 tons, compared with 6,885 tons exported during the same period in 1982.

Cherries: Lebanese exports of cherries during July 1983 totaled 630 tons, compared with 1,178 tons exported during July 1982, i.e., a drop of some 548 tons.

The total amount of cherries exported from the start of the 1983 season (May 1983) up to the end of July 1983 was 3,795 tons, compared with 4,567 tons during the same period of 1982.

Peaches: Lebanon exported 2,899 tons of peaches during July 1983, compared with 2,711 tons in July 1982, i.e., an increase of 188 tons.

The total volume of peaches exported from the start of the 1983 (May) season up to the end of July was 3,562 tons compared with the 3,284 tons in 1982.

Pears: During July 1983, Lebanon exported 1,990 tons of pears, compared with 1,788 tons during July 1982, i.e., an increase of 202 tons.

The total volume of pears exported from the beginning of the season was 2,093 tons, compared with 1,809 tons exported during the same period of the 82/83 season.

Grapes: During July 1983, the grape exporting season began. Grapes exported during that month totaled 190 tons, compared with 89 tons exported during July 1982, i.e., an increase of 101 tons.

Other fruit: During July 1983, 1,628 tons of various other kinds of fruit were exported, including 6 tons of varieties of tangerines.

With respect to all this data, Lebanese economic circles have considerable fear regarding the possibility of an economic catastrophe occurring, if the decline continues in this manner. These circles are convinced that the direct and principal cause of the farmers' production and marketing tragedy, apart from the tragedy of the Lebanese economy as a whole, lies in the continued Zionist occupation of Lebanese territory, and the legal justification found in the 17 May agreement between Lebanon and the Zionist entity. In addition, there is the renewal of the civil war, as well as the presence of the other occupying forces that continue to violate the security and economy of the Lebanese people. These economic circles believe that a change of mind about this agreement, and the withdrawal of all occupying forces, constitute the first step in the process of saving the Lebanese economy from a fatal collapse.

7005

CSO: 4404/117

EXPORT FIGURES FOR OCTOBER REPORTED

Beirut AL-NAHAR in Arabic 10 Nov 83 p 7

/Text/ The value of industrial exports last October reached 102.596 million Lebanese pounds. This compares with 44.287 million pounds in September. In other words, an increase of about 58.299 million pounds occurred. This represents a 131.6 percent increase.

Similarly, exports were 23.1 percent higher than in October 1982, when their value was 83.349 million pounds.

This increase does not reflect a real improvement, especially when it is compared with the numbers for September 1983, which witnessed security disturbances, and October 1982, during which President Bashir al-Jumayyil was assassinated and the massacre at Sabra and Shatilla occurred.

As is customary, Saudi Arabia headed the list of importing countries. Exports to Saudi Arabia reached 67.833 million pounds, or 66.1 percent. The most important export items sent to Saudi Arabia were: chemical products (8.5 million pounds), clothes (6.4 million pounds), metal goods (5.6 million), shoes (4.5 million), and aluminum products (4.2 million pounds).

Syria was a distant second. It imported goods worth 7.423 million pounds. The most prominent items were: medical products (6.2 million pounds) and metallic ores from mines (495,000 pounds).

Jordan took third place, importing 6.377 million pounds worth of goods. The most important exports to Jordan were aluminum products and nonmetallic mine products.

Exports to Iraq remained small. In value, they amounted to 1.595 million pounds, as compared to 29.022 million pounds in October 1982.

Here is a comparative list of exports for October 1983 and October 1982. The list is by country (values expressed in 1,000 Lebanese pounds):

<u>Country</u>	<u>October 1983</u>	<u>October 1982</u>
Saudi Arabia	67,833	37,756
Iraq	1,595	29,022
Syria	7,423	3,861
Jordan	6,377	3,958
Kuwait	5,569	1,950
Egypt	5,915	153
Libya	216	326
Abu Dhabi	804	2,052
Qatar	316	180
Yemen	835	709
Dubai	430	335
Muscat	700	315
Bahrain	420	223
al-Shariqah	423	294
England	642	735
France	748	146
West Germany	95	331
Holland	56	156
Hungary	167	702
Denmark	16	6
North America	2,010	21
Cyprus	6	
Sweden		6
Canada		55
Australia		31
Venezuela		26
<u>Total</u>	<u>102,596</u>	<u>83,349</u>

Articles

The most important export articles were as follows: chemical products (8.9 million pounds), clothes (7.4 million), medical products (7.5 million), cardboard products (5.9 million pounds), cosmetics (5 million), foodstuffs (4.9 million), shoes (4.5 million), paper goods (4.4 million), mine products (4.4 million), etc.

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CSO: 4404/123

JOURNALISTS REJECT NEW DECREE ON PRESS

Beirut AL-SAFIR in Arabic 30 Oct 83 p 2

/Article: "The Press Announces that It Rejects Decree 121 Because It Harms the Reputation of Lebanon and Freedom. Karam Contacts the Head of the International Confederation of Journalists"]

/Text/ The Press Union and the Editors Union yesterday legislative decree number 121, which "would limit the number of newspapers and give the state the right to own and exploit them, as well as the right to prevent the authorization of the publication of nonpolitical printed matter."

The Press Union issued the following yesterday: "Following the issuing of legislative decree number 121, which would limit the number of newspapers and give the state the right to own and exploit them, as well as the right to prevent the authorization of the publication of nonpolitical printed matter, an emergency meeting was held today (yesterday) which was attended by a number of the members of the union council, under the direction of Chairman Muhammad al-Ba'labakki. A discussion was held on the effects of the issuing of this decree and its serious dimensions with respect to the future of the press and public freedoms, as well as the requirements of a free economic system.

The consensus was to support the demand of Chairman al-Ba'labakki that the enforcement of the decree be frozen, and that the decree itself perhaps be canceled by legal means.

"It was decided to summon the union council to an extraordinary special session to study the subject. The session will be held at 11:00 am on Thursday, 10 November.

"Afterwards, Chairman al-Ba'labakki delivered a statement in which he affirmed "the press's absolute rejection of decree 121." He described it as hurting the reputation of Lebanon, let alone the freedom of the press and the material and professional interests of journalists, especially since it opens the door to the state without any reservation, allowing it to publish or benefit from newspapers. This is inconsistent with the Lebanese constitution, and creates a precedent in conflict with all legal practice to which the state has committed itself up till today with regard to the press. It would close the door in the face of the publication of printed matter of an intellectual, economic and scientific nature, thereby coming into conflict as well with Lebanon's mission as a civilized society and its role in its Arab environment and the world."

Mulhim Karam, the chairman of the Editors Union, issued a statement in which he said: "The harassment to which Lebanese journalists and correspondents working in the south are exposed, which was renewed this morning (yesterday) and affected a new group of colleagues, who contacted the Editors Union, asking it to intervene, is preventing them from covering the news and doing their sacred national and professional duty. This harassment has met with indignation in all public and journalistic circles. The Editors Union, which condemns these uncivilized, backward acts, is calling for a limit to be placed on these practices, whose results are the opposite of what is intended. For the people, with their great awareness of the facts, know how to distinguish between the truth and lies.

"If these deviant practices are not limited, then international condemnation will be visited on those who are trying to strangle written communication and do away with freedom of opinion. Similarly, the attempt to prevent the distribution of newspapers is an act of oppression and part of the legacy of backward ages and nations which do not know how to breathe the winds of progress and democracy with which the age we live in concerns itself."

Chairman Karam said that he had contacted the president of the International Confederation of Arab Journalists, as well as its general secretary, and "transmitted this complaint to them." He also informed them that neither he himself, a vice president of the confederation, nor his colleague Basim al-Sab', the assistant secretary general of the confederation, would be able to attend the meeting of the general secretariat which is to be held on Tuesday and Wednesday in Tunis. The reason he gave was that the Lebanese Dialogue Conference would be in session in Geneva and all Lebanese journalists would be busy with the fateful issues of their country. He asked the two of them to incorporate the subject into the discussions of the meeting of the general secretariat and to issue a sharply worded resolution concerning it for distribution to all similar bodies in the world.

Similarly, Chairman Karam contacted the head of the International Confederation of Journalists and the general secretary of the International Organization of Journalists, as well as the head of the World League of Media Professionals. He told them by telephone of the real situation in south Lebanon, as well as about the pressures and deviant practices to which the Lebanese press and Lebanese journalists are exposed, with the result that the channels of freedom and democracy are obstructed. He asked the three organizations to issue statements of condemnation commensurate with their respect for freedom and democracy, in accordance with their constitutions and statutes, so that the world would know that those who use the slogans of freedom and democracy are practicing the opposite of what they announce and preach and of what their media outlets disseminate in the world. He also asked for contacts to be made with the agencies concerned, in order to stop this deterioration and these bad practices, which will turn on those who caused them.

Chairman Karam said, "We are waiting for the end of the dialogue conference, which we hope will achieve the goals for which it was held, thereby returning Lebanon's felicity, vitality, and national unity. However, we will visit Tunis, even if only to attend the closing session of the meeting of the general secretariat of the Confederation of Arab Journalists."

INSURANCE ON NEW INVESTMENTS EXPANDED

Paris AN-NAHAR ARAB REPORT & MEMO in English No 47, 21 Nov 83 pp 7-8

[Text]

As new rounds of violence continue to inflict heavy material damage on business establishments in Lebanon, more attention has focussed on the National Council for Investment Guarantees (NCIG), which offers guarantees for all new investments made in the country since 1977. To take into account present and future needs, the NCIG's charter has been modified under the recently-issued Decree No 122.

Under previous regulations, the NCIG offered coverage for risks arising out of war, civil disturbances and other acts of violence of a general nature. Coverage has now been extended to include the risks of confiscation, nationalisation, sequestration, appropriation and seizure by force, as well as the risk of being unable to transfer investments, earnings from investments, and the cost of capital and salaries out of Lebanon.

NCIG Chairman Emile Ghattas told our sister publication *An-Nahar* that even though Lebanon had always had a free market economy and it was therefore inconceivable that the government would ever nationalise a private business, foreign investors tended not to appreciate this fact and categorised Lebanon as just another Third World country. Offering guarantees against the risk of confiscation or nationalisation may therefore be interpreted as a measure designed to allay the fears of those not familiar with Lebanon's commitment to free enterprise. However, Dr Ghattas raised local eyebrows by commenting that despite the country's liberal exchange control system, it was not beyond the bounds of possibility that the Lebanese government might one day be constrained to impose exchange controls. He added that while local Lebanese businessmen would not be greatly affected, it was necessary that foreign investors should be covered against this risk.

The method of computing compensation has also been modified. In the past, the NCIG only paid damages when these exceeded 5 per cent of the total value of the

enterprise. Now the Council will pay for 90 per cent of any claim regardless of how big a proportion of the total value it represents. The business itself will assume coverage for the remaining 10 per cent or LL 50,000, whichever is larger.

Dr Ghattas noted that in certain cases, insurance with the NCIG is required by law. These include new investments in the tourist or industrial sectors worth more than LL 5 million (\$1 million); enterprises benefiting from government loans made through the Council for Development and Reconstruction (CDR); and investments to expand or improve existing establishments worth more than LL 5 million.

Compulsory insurance is required for two reasons, Dr Ghattas said. First, projects deemed necessary for public welfare should be safeguarded against any emergency resulting from non-business factors. Second, the NCIG benefits because its client base is broadened to include investment projects to which no great risk may be attached. Asked why compulsory insurance should be limited to enterprises worth more than LL 5 million, Dr Ghattas said the smaller investor should be given more importance and that the situation would be clarified in the future.

In the past, the NCIG has followed the practice of insuring an institution that is in line for a government loan before the loan is actually made. Under the new regulations, this practice becomes a legal requirement, effectively making the NCIG the guarantor of all medium and long term government loans. Short term loans are insured by the Board of Foreign Economic Relations (BOFER).

Premiums for investment guarantees have been increased in the case of compulsory insurance from 2 per mil per year to 3 per mil. Dr Ghattas said that the old premium was no longer appropriate in view of the higher level of risk. Premiums for non-compulsory insurance are determined by the NCIG on a case-by-case basis.

The new regulations specify the capital of the NCIG at LL 30 million (\$6 million). Previously, the Council was not officially capitalised, but it can now count on a relatively stable source of income and will be able to meet compensation claims out of its capital, if this should be necessary. The new regulations do not mention the maximum amount that the NCIG is permitted to cover. Dr Ghattas said he was doubtful whether the Council had the right to insure a project in the LL 1 billion (\$200 million) range. In future, the total amount of insurance underwritten by the NCIG is expected to be a function of the size of its capital.

The charter was also modified with regard to insurance for residential apartments benefiting from loans extended by the various specialised housing agencies, particularly the Housing Bank and the Independent Fund for Housing. Dr Ghattas said he was not yet sure of the exact relationship between the NCIG and these institutions.

On the question of reinsurance, Dr Ghattas said that this was covered by Article 4 of Decree 122, which states that the NCIG should carry out its duties in line with procedures followed by commercial insurance institutions. Inherent in this is the right to reinsure contracts through local or international agencies. Dr Ghattas noted that reinsurance was a necessary means of reducing risk, but that it would mean the NCIG would have to realign its premiums against those of the international market. Unfortunately, such an adjustment might push local premiums for compulsory insurance above their current ceiling.

It remains debateable whether the modifications to the NCIG's charter can really do much to encourage investment at a time when risks have greatly increased. However, Dr Ghattas stressed that the important thing was that work was in progress and the government was doing its best to keep the economy alive. As far as the Lebanese or foreign investor is concerned, the NCIG is a symbol of "economic co-existence with the war." The Council, Dr Ghattas continued, is a means by which the cost of war can be shared between the government and businessmen, with the government bearing a larger portion. The NCIG may be seen as a non-profitmaking institution designed to create an appropriate climate for investment. Nevertheless, Dr Ghattas said, "We hope the ghost of war is removed so that we can employ our resources in a more productive manner."

While satisfied that Decree 122 had set out the broad lines within which the NCIG would operate, Dr Ghattas said there would clearly be a need for a more precise definition of the Council's responsibilities. He said he expect-

ed this to be spelled out in future decrees. The NCIG's greater responsibilities would entail an increase in its present staff of 10 and the establishment of a department for economic research as a resource for potential investors.

Concerning the NCIG's past performance, Dr Ghattas said that the Council had been formed in 1979 when 12 contracts were signed. This figure rose to 30 in 1980 and 72 in 1981, before declining to 45 in 1982 because of the Israeli invasion. The industrial sector accounted for 59.7 per cent of contracts, followed by the service sector with 10.3 per cent, health with 10.3 per cent and tourism with 6.7 per cent. The total value of insured investments was LL 871.2 million (\$174.2 million) of which industry accounted for 55.1 per cent, services 19.2 per cent, tourism 9.6 per cent, construction 5.8 per cent, health 5.2 per cent, contracting 1.3 per cent and trade 3.4 per cent.

Compensation paid out by the NCIG for war damage until September 1983 amounted to LL 21,672,571, with eight investors benefiting. Other claims for compensation are under consideration. Some have been turned down either because it could not be verified that the damage occurred as a result of war or because the damage amounted to less than 5 per cent of the value of the establishment.

Contracts signed, 1979-September 1983

Sector	1979	1980	1981	1982	1983 (until Sept)	Total
Industry	7	23	47	25	14	116
Services	3	—	9	6	5	24
Tourism	—	1	7	4	1	13
Construction	—	2	1	1	1	5
Health	—	6	6	5	3	20
Contracting	1	—	2	1	1	5
Trade	1	1	—	3	7	12
Total	12	33	72	45	32	194

Amounts guaranteed (in millions of LL)

Sector	1979	1980	1981	1982	1983 (until Sept)	Total
Industry	22.7	55.8	197.7	77.1	126.2	480.6
Services	21.5	—	39.3	46.8	60.2	167.7
Tourism	—	3.6	42.6	29.3	8.6	84.1
Construction	—	34.9	6.7	7.8	2.0	51.4
Health	1.2	7.5	16.2	13.6	7.3	45.8
Contracting	—	—	1.7	1.9	8.2	11.8
Trade	0.2	1.3	—	15.6	12.6	29.7
Total	45.6	103.1	305.3	192.1	225.1	871.2

CONDITIONS AT ANSAR PRISON CAMP DETAILED

Beirut AL-SAFIR in Arabic 30, 31 Oct, 1 Nov 83

[30 Oct 83 p 7]

[Text] This AL-SAFIR exclusive report, which will be published in three parts, was filed by one of the prisoners in the Ansar camp. It is about the conditions experienced by about 5,000 Lebanese and Palestinian prisoners, most of whom have been detained for more than 1 year and 5 months.

The first part of this report relates tales of the camp from the great escape attempt of 18 August 1983 to the transfer of the summer camps to "Hell Valley."

Part two presents a detailed picture of the artistic creations in the camp and part three, the final part, tells of sports and educational activities in the camp.

This piece, given the current conditions and keeping in mind the security situation of the prisoners, will attempt to uncover the secrets of the escape attempt, the secret behind the prisoners' ability to adapt to and confront their new conditions, and the secret of the will to live and put up resistance. The latter has turned Ansar into a great art studio and into an arena for various cultural and artistic activities. This will to live is an expression of the great confrontation that gives real meaning to all other confrontations.

AL-SAFIR, by publishing this report, is reminding everyone that the survival of the Ansar camp is a direct expression of our common detention, and that all efforts must be consolidated to force the Israeli enemy to evacuate our territory unconditionally and to close the camp of our great detention.

On 19 April 1983 the Israeli military leadership in charge of the detention camps at Ansar were able to deliver a blow to the Committee for the Defense of Prisoners' Rights, a committee composed of four prisoners. The prisoners' struggle had been able to impose itself on the administration of the camp. The Israelis broke up camps 5, 6 and 7 and took members of the prisoner's committee out of camp 5, which was well-known as the camp of the Palestinian-Lebanese Joint Command. They transferred them to an unknown place for a complete month, after which they returned to the camp and began practicing their duties again.

The planning for this surprise blow was undertaken by the chief of military intelligence, Colonel (Baj) and the commander of the camp, General 'Atiyah (a Tunisian Jew). The attack began on camp 5 first, where members of the committee were arrested as they exited the camp. Then the Israelis penetrated the camp with two brigades of soldiers armed with weapons and tear gas canisters. The masses of prisoners defended themselves and tried to confront the advancing Israeli soldiers. However, the tear gas was successful in quelling the resistance within about one-half hour and the prisoners were led to camps deemed appropriate by the Israeli command. The camps were in the area of the summer camps and the prisoners were distributed among the following camps:

--Camp 20, called the Lebanese camp because all the prisoners there are Lebanese.

--Camp 19, called the Popular Front-General Command [PFLP-GC] camp. This camp is surrounded with cloth to prevent anyone from seeing what goes on inside.

--Camp 18. This camp is half Lebanese and half Palestinian.

--Camp 17. This camp is mixed as are the others.

--Camps 1, 2, 3, 4, 6 and 7. These are mixed camps.

--Camp 5. This is a camp for new prisoners, some of whom enter in civilian clothes.

--Camp 31. This camp was originally known as "the pit" at Ansar. It was used to isolate prisoners during investigations. It currently contains prisoners who have been arrested a second time.

The collection of Lebanese prisoners in one camp, Camp 20, and the spirit of cooperation that has coalesced in that camp permitted the development of a new method of prisoner struggle: the tunnel digging method.

Tunnels and the First Escape Attempt

Tunnel digging began in Camp 20 before it became widespread and a prominent feature of daily life in Ansar Camp.

Tunnel digging, despite the difficulties, is attributable to a number of political-psychological and natural-geographical factors. The political-psychological factors are:

- 1--The failure of negotiations on prisoner exchanges.
- 2--The underhandedness of the Israelis concerning the release of Lebanese prisoners.
- 3--The appalling social conditions experienced by the families of the prisoners.
- 4--The deterioration of the financial condition of the prisoners.

These four factors helped to implant the idea of escape, despite the sacrifices and [possible] results.

However, the other factors and reasons behind the idea of escaping through tunnels were topographical ones:

- 1--The nature of the Lebanese camp and its position. It was at an angle facing the wadi and separated only by a dirt road 18 meters wide.
- 2--The location of the observation towers at Camp 20. Some were 40 meters away.
- 3--The dirt barricade located directly beyond the dirt road. This barricade was not more than 6 meters wide and there was no fence on the far side of it. There is only a dirt road there where military patrols pass infrequently.
- 4--The wadi located about 30 meters from the dirt barricade. The land there is open, unlighted and unguarded. There are only two tents for soldiers 50 meters from the tower overlooking Camp 20. These tents do not represent a great danger.
- 5--The ground. It is soft and easily and quietly dug with rudimentary tools.
- 6--The ease with which the dirt taken from the ground is hidden. This is done in various ways which we will not explain here.
- 7--The fact that the searchlight overlooking Camp 20 had been broken with a rock. The camp command had not repaired the light.

Work on the tunnel began in the southern corner of the camp. A large hole was dug about 1 and 1/2 meters deep and 1 and 1/2 meters across. A prisoner would go down into it and take out dirt extracted from the tunnel. He would also watch over the prisoner who was digging and give him light, air and rope.

The tunnel was dug in Camp 20 with a diameter of 80 centimeters in the direction of the wadi. After the tunnel reached a length of 16 meters, the supervisors faced a number of dilemmas: air to breathe, lighting during the digging operation, the escape and organization of groups, and camouflage.

After all of these problems were solved, and after a long and organized group effort, it was agreed to make an opening at the end of the tunnel. The moment the surface of the ground was penetrated there was an unexpected surprise: the opening came near the dirt barricade, that is, directly under the fence and dirty water appeared coming from the toilets of the other camps completely flooding the tunnel. None of the attempts to repair the tunnel succeeded so it was abandoned and planning was begun for another tunnel at a different angle.

After the first 8 meters of the new tunnel were completed the surprise [raid] occurred. On the morning of 27 July Israeli vehicles advanced on Camp 20 and the head of the prisoners in the camp was asked to bring the prisoners out for inspection. The soldiers were wearing gas masks and carrying tear gas canisters. Also, dozens of soldiers were spread out along the adjacent dirt barricade.

The prisoners came out onto the dirt road and sat on the ground as they were ordered. The commander of the camp and the chief of intelligence, Colonel (Baj), came. They had discovered the tunnel. They brought a camera with them and took souvenir pictures. Afterwards, Colonel Baj announced to the prisoners that they would be leaving the camp within an hour and going to other camps. After this, the tunnel was sealed with cement.

The prisoners of Camp 20 were distributed among the other camps and took their blankets, wood and utensils with them. At that time the summer camps, where there were 2,600 prisoners (in all the camps of Ansar there are about 4,000 prisoners), were open and received some of the prisoners. [At one of these camps] the prisoners had tried to break through the fence, an operation for which the prisoners paid the heavy price of one martyred and five injured. So, these camps were open and the prisoners walked until 10 o'clock at night (curfew) on the long dirt road that connects the line of camps near the wadi to the camps near the Israeli headquarters.

8/8/8/8/83

In the eighth camp in the eighth hour of the eighth day of the eighth month of 1983, the scheduled time had arrived for the great escape operation through the tunnel dug in Camp 8. At 9:30, 1 and one-half hours after the operation had begun, the jacket of one of the escaping prisoners got caught on the barbed wire fence. As he was unhooking it, the guard in the observation tower overlooking camps 8, 9 and 10 heard the noise and opened fire. Search and pursuit operations were initiated. The entire region was lighted with flares and searchlights from the hills, towers and mountains overlooking the camps. Dozens of soldiers were deployed. The prisoners could hear the voices of Israeli soldiers shouting the moment they arrested an escapee, the sounds of rounds being fired, and the rumble of the tank engines.

The search and pursuit operations continued until dawn. In the morning the Israeli military police and intelligence officials entered camp 8 where they had the tunnel filled with dirt and rocks after detonating gas bombs inside it.

Reliable sources indicate that more than 80 prisoners escaped. About 10 days after the escape, 12 were captured and 2 were killed.

On the morning of the day after, the Israeli [Defense] Forces (IDF) brought equipment to dig a trench 2 meters deep in the road near camps 8, 9, 10 and 14 which overlook the wadi.

The striking phenomenon was that after the great escape, tunnels were being dug in all of the summer camps until the camps of Ansar had become a large digging workshop. However, 10 days after the incident, all the prisoners in summer camps 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17, 18 and 19 were informed that they must prepare themselves to move to a new location.

On 18 August 1983, the transport of prisoners in large "container" trucks began. The prisoners carried their belongings: clothing, blankets, string and wood; and after one-half hour in the trucks on a bumpy dirt road, they arrived at "Hell Valley."

Hell Valley and the New Organization

The area of Hell Valley is about 160,000 square meters. It is a square piece of ground 400 meters long and 400 meters wide. It is surrounded by natural mountains to the east and west. On these mountains are traces of dynamite explosions set off by the Israelis to prepare the land before taking control of it and converting it into land for a concentration camp. To the north and south are dirt barricades built by the IDF. The southern dirt barricade is completely sealed. On top of it are Centurion tanks, three pieces of mobile armor and guards on foot. It is separated from the prisoners by dozens of barbed wire barricades. Behind the barbed wire the village of al-Zarariyah is clearly in view, as is Mis al-Jabal Fort. The northern dirt barricade is broken by a passageway that represents the only entrance to the camp. Through this entrance come supplies and the International Red Cross. The barricade is guarded by stationary tanks and some mobile armor. Behind the barricade one can see the al-Nabatiyah--al-Duwayr Road. About 400 meters away in the mountain to the east is the Israeli soldiers' camp where there are many vehicles and where the command headquarters is located. On the edge of the camp many rows of barbed wire have been set up.

Organization of the Hell Valley Camps

The land is divided into squares separated by roads on which prisoners are passing day and night. Every square has an area of 1,600 square meters (40 X 40) and is used entirely for housing prisoners. These are currently in Hell Valley about 2,000 prisoners that have been brought from the summer camps. Recently they have begun to bring some new prisoners here or some prisoners from the winter camps.

There is no hospital in Hell Valley. Medical care is limited, particularly preventive care. There is only one doctor among the prisoners who is assisted by a male prisoner nurse. The two work alone. In each camp there is one tent that serves as a kitchen with a gas stove for heating food. Supplies such as beans, chickpeas and macaroni are distributed in cans and arrive once a week on Sunday. Bread, vegetables and fruit come three times a week on Sunday, Tuesday and Thursday.

Water and toilets are available at the eastern edge of the camp where the ground is red dirt. The toilets consist of holes 5 meters wide and 2 meters deep surrounded with a cloth curtain and covered with wood panels with holes drilled in them. Water is brought in through large hoses from the top of the mountain and there are 10 faucets over a 3-meter long iron basin. Water is only available during specific hours, usually in the morning and at night. The shortage of water is a daily problem for the prisoners, especially for cleaning and cooking.

Near the entrance there is a large hole 5 meters deep and 5 meters across for disposing of garbage. In front of this is a smaller hole that was dug during 'Id al-Adha [the Feast of Immolation] for disposing of the remainder of the lambs that were brought in by the International Red Cross at the request of the prisoners' committee. It was slaughtered the morning of the feast with an Israeli veterinarian present.

There is a large area near the entrance used by the prisoners as a volleyball court and soccer field. Nearly every day there are games between the teams in the camps. A club was established for weight lifting and body building. The prisoners made all the equipment themselves from pieces of iron, cement and tin. There are also workouts in boxing and karate.

The Israeli police do not enter Hell Valley at all. Therefore, there is no oppressive morning roll call that was the practice in the previous camps. The greatest problem, however, lies in the absence of tents. The Israelis did not give the prisoners tents in exchange for those that were burned in the summer camps during the uprisings of 6 and 12 June 1983. The prisoners sleep under the blankets that they brought with them. Because of this situation, a real crisis has resulted from the shortage of blankets, the cold weather and poor food. All this exposes the prisoners to disease. The prisoners have tried to solve this problem by gathering in groups and living in tents that they have made from the blankets.

Facing the Challenge

The aim of moving the prisoners from Ansar to Hell Valley was to eliminate the possibility of digging tunnels. However, the prisoners surprised their captors when they presented at the entrance of Hell Valley and in Camp Square 18 a glider made by a prisoner from wood and pieces of nylon. It had a hand-cranked propeller and it was capable of flying.

The glider was presented as a sign of the challenge. This is what the prisoners decided to do. A number of Israeli officers and journalists took pictures of it.

[31 Oct 83 p 7]

[Text] The development of works of art by the Ansar prisoners had gone through various stages, and the materials used by the artists have been the determinant factor of a given stage of that development. The pre-"Ansar" stage does not concern us in this report although it represents the first seeds of the "Ansar" stage itself.

Before we begin to define the stages of the development of artistic work at Ansar we will define the arts and handicrafts that we will be discussing in this report. They are: 1) Sculpture in limestone and other sedimentary rocks, 2) Woodcarvings and metalwork in copper and aluminum, 3) Luxury items created from wood, 4) Prayer beads and cigarette holders from wood and other materials, 5) Weaving, embroidery and works in wool, 6) Pearls, 7) Drawing, 8) Singing, and 9) Dancing.

Sculpture

To begin with, the first material used for sculpture was white limestone and other sedimentary rocks because it was abundant in the camps in stones of various sizes. Most of it, however, was the size of an orange seed or slightly smaller. This type of stone is conducive to easy sculpting and carving by using pieces of flint or pieces of iron removed from the military boots worn by the prisoners.

The heart shape was the most predominant form in the beginning stage. The metal wire around wood vegetable boxes was used to drill through the stone which was then attached to thread or string, such as a shoelace or a piece of braided thread taken from potato and onion sacks, and then worn around the neck of the prisoner.

Woodcarving - Cigarette Holders

The first woodcarving works were the production of cigarette holders. The prisoners began to make cigarette holders even before they entered Ansar camp in mid-July 1982. While they were in Israeli prisons for 1 and one-half months in June and July cigarette holders appeared. The block of wood was taken from the vegetable boxes--four blocks per box--and the wire was taken off the box. The block was then scraped on the rough cement surface found in the bathrooms until it was round in shape. Then a hole would be carved in it with a long wire forming a passageway for the smoke. At the head of the holder where the cigarette is placed, a ring-shaped piece of metal was inserted that was taken from an army shoe (the eyelet that the shoelace passes through). It was fixed in place by striking it a few times with a piece of flint used as a hammer.

Ornamentation of the exterior of the cigarette holder was accomplished by heating a wire over a fire and pressing it directly on the wood, leaving burnt black lines in geometrical shapes such as crosses or stars, or lines spelling names such as the name of the prisoner, the name of his wife and children, etc.

In the beginning the cigarette holders were given to Israeli soldiers in exchange for cigarettes, which were rare in the camps. They were also made for personal use.

After arriving at Ansar, some prisoners specialized in making cigarette holders because they yielded cigarettes (the hard currency of captivity). They devised rudimentary tools for carving by converting empty tin cans, pieces of metal, and pieces of glass taken from empty medicine bottles into

knives with handles and saws with sharp teeth. During this period, production evolved in terms of form and quantity. Perfect cigarette holders appeared that were used by prisoners who wanted to keep their teeth white. Then two-piece cigarette holders, pipes and water pipes appeared. The production of good cigarette holders was then limited to a few people who found in their manufacture a door to prosperity. Amazing cigarette holders were made in gorgeous colors. Some, as much as 30 centimeteres long, were kept as souvenirs.

Imperfections in the wood, such as scratches made by the saw, were treated with a piece of white soap or toothpaste, and the cigarette holder was given a glossy finish by boiling it in oil.

Dyes and Stone Sculpture

In a similar vein, attempts began to manufacture dyes to color the wood. Red clay, which was abundant, was used, as were red peppers, egg yolks, plant oils, ash, coal, green plant leaves, the stiff ink extracted from the Bic pens that some people had taken from the International Red Cross, and colored medicine requested from the camp doctor.

During this preliminary stage sculptures in limestone evolved because the prisoners acquired new carving tools including pieces of glass, metal saws made by prisoners, chisels, files and punches. The expressive shapes in the prisoners' works began to focus on the emotional ties between man and his land. The heart shape was common, and a number of other forms appeared that were unrelated to the reality of captivity, such as ducks and sparrows, naked women and water nymphs, castles, and chess and backgammon pieces. In the advanced stage, stone was used to sculpt the morning roll call session, which was the symbol of humiliation at Ansar. The sessions were discontinued after months of captivity thanks to the unity of the prisoners and their struggle.

The marketing of products was done by the maker himself or by a middleman--a broker--who would contact buyers going from tent to tent in the camps. Normally the buyer was a nonsmoker or a light smoker who had spare cigarettes which were paid in exchange for the works of art. Actually, the majority of buyers were the prisoners' committee, officials of organization and political groups, mukhtars, tent makers, skull cap makers, doctors, and gamblers.

Woodcarving

The prisoners moved from sculpting stone to carving wood taken from boxes. When wood beds were distributed to the prisoners in the beginning of 1983, the phenomenon of woodcarving advanced because the necessary material was abundant, there was an endless amount of time, and tools had improved greatly. Faces and roses were the most common woodcarving subjects. The style was affected by African woodcarving because many of the prisoners from south Lebanon have relatives in Africa and were thus familiar with African woodcarving. There were many carvings of elongated women's faces with palm fronds behind them, or women carrying baskets of fruit on their heads.

Prayer beads

Woodcarving took on a new form with the mass production of prayer beads. They appeared in many shapes and some of them were inlaid with pieces of cooper. They were given as gifts to representatives of the Red Cross or were traded to Israeli soldiers in exchange for cigarettes. Selling to soldiers across the fence became a common occurrence.

Prayer beads were made from olive pits, from plastic that was melted and reformed in the dirt (the plastic was taken from the utensils owned by the prisoners), or from the (runners?) brought by the Red Cross.

The wood beads were stained with dyes extracted from red peppers, then cooked in boiling oil so that the colors would become oily and lustrous. Some of the prayer beads were about 1 meter long. The prisoners became skilled in making the minaret-shaped top piece of the prayer beads above which the knot is tied. A large hole was drilled in this piece. The thread for the beads was taken from the tent windows and it resembled nylon fishing line. The cotton thread taken from sugar sacks was also used.

Because the prisoners had no combs, the manufacture of wood combs flourished. The wide, thin strips of wood that make up the sides of vegetable boxes were used to make the combs.

Every prisoner at Ansar owned three things that were made artistically by the prisoners themselves: a cigarette holder, prayer beads, and a comb.

The prisoners were very innovative in the production of combs, particularly the handles which came in many shapes: a bird's head, a woman, a piece of fruit, the Eiffel Tower, etc. Because the Red Cross supplied the prisoners with water colors and paints, drawings of flowers and birds, for example, began to appear on comb handles. Most of these drawings were copied from the AL-MAWRID dictionary that the prisoners had. In a subsequent stage the production of knives with creative wooden handles appeared. They were works of art as well as weapons for the prisoners.

From the wide pieces of wood (10 centimeters wide) from the beds, 20-centimeter panels were cut and carvings of traditional Palestinian and Lebanese costumes were made.

Because of conditions in the camps, the production of works of art was concentrated in the workshops. Camp 14 became famous for making combs and for woodcarving. Camp 10 became famous for necklaces and bracelets, and metalwork in copper and aluminum. Camp 16 was famous for making cigarette holders, etc.

The Artists in Camp 5

Before the raid of 19 April 1983 that resulted in the dissolution of the summer camps, camp 5 was the artistic center of Ansar. The four-member prisoners' committee was located in that camp, as were most of the leaders of the various political organizations. When the committee was permitted to

transfer prisoners from one camp to another, it began to gather the artists in Camp 5. The committee acquired iron materials for carpentry, such as saws with sharp and narrow teeth, punches, files and drills.

Drawings on Cloth

As for drawings on cloth, embroidery, spinning wool, and braiding rope, these things came late. The problem of finding needles and hooks was solved by perforating a piece of wire at one end and sharpening it at the other. Thread was taken from cloth sacks, tent material that had been unraveled, and wool stockings and (kanazat?). In this way colored nylon thread, wool and hemp were made available.

A square or rectangular piece of material would be cut from the torn lavatory tents and drawings would be made on them with either crayons brought by the Red Cross, watercolors, or stiff black, red or green ink. The tents were filled with bright-colored canvases of nature scenes, slogans of the resistance and of the political parties, and Qur'anic verses.

Exhibitions were organized in Ansar for political occasions, such as the anniversary of the establishment of one of the organizations. The most common pictures were pictures of the raised arm and broken chains, pictures of martyrs, the Sabra and Shatilla massacres, pictures of destruction and fire and Israeli soldiers, barbed wire and tanks, pictures of soldiers during roll call when hands were placed on the head, and a picture of the Camp 20 massacre.

Some of the pictures became famous, such as the picture of the leader of the Palestinian revolution. This picture was enclosed in transparent nylon and was raised during uprisings and demonstrations.

Cloth banners made from tent blankets were common. Political and religious slogans were written on them and a number of talented calligraphers emerged. Some of the cloth banners or cardboard placards were hung on the fence to express the indignation of the prisoners.

The manufacture of caps made from wool taken from the (kanazat?) worn by prisoners was also common. The skilled prisoner, by using one hook with a bend head, could make two caps per day. These caps were usually brown or navy blue.

Some professionals made wool women's purses for souvenirs and wool pouches for packs of cigarettes (Ceylon brand).

Embroidery appeared on prisoners' shirts and pants, and on belts made from tent material. The prisoner's initials would appear or the phrase "Ansar is the Camp of Heroes and Noblemen," or pictures of birds embroidered in brilliant, shining colors.

Bracelets and Necklaces

The raw material for bracelets, necklaces and rings is the copper pipe by which the camps are supplied with heating oil. A piece of pipe 15 centimeters long is cut and then pounded thin against the metal of the heater. It is then bent to fit the shape of the wrist and bordered with fibers (from the pad used to clean pans). It is engraved with names and pictures of flowers and birds. Necklaces, bracelets and rings are also made from sheets of aluminum cut from pans. Aluminum does not oxidize like copper and is less harmful to the skin. Also, small aluminum squares are made with the names and numbers of the prisoners written on them or the names of wives and children. These are then placed on pictures.

The material from white blankets and towels was used to make duffle bags that are carried over the shoulder and held with a thick rope of braided wool. Nearly every prisoner owns a bag which he will put his belongings in and carry over his shoulder the moment he is released.

Hearts with names carved on them were made from the pits of avocados, which come to the camp in the winter, and then hung around the neck. To give the hearts a shine, they were boiled in oil and dried.

In July 1983 the Red Cross brought to the camp for the first time materials that could be used for arts and crafts, including:

1--Musical instruments: tambourines, drums, guitars, harmonicas, and flutes.

2--Handicraft Supplies: beads of all kinds, wool and silk thread, decorative plastic tape, fine white-fiber rope, thick pieces of wood 15 centimeters long, pieces of pressed wood and

3--Colorings: pens with stiff ink, regular coloring pens, water colors with brushes, and coloring sticks.

During this period all kinds of bead work became common. Heart shapes and geometric shapes were made, as were necklaces, rings and bracelets. The prices were very high. A thousand beads were sold for four packs of cigarettes, and making them into something cost one or two packs.

Pressboard was used for drawing portraits of family members and prisoners. Dry colors were used on these boards.

Work on canvas was limited to a few of the most fortunate. A very small amount was brought by the Red Cross and, because it was so scarce, it was very expensive. It was used for painting and embroidering slogans, names and sayings.

Frames decorated with plastic tape were made from the pressboard for pictures of family members.

The white-fiber rope was used to make plates, pretty shoes for children, baskets, cups and glasses.

On the T-shirts that the prisoners received from their families the prisoners drew pictures of Guevara or cedars, the slogans of organizations, and the names of martyrs.

Before the prisoners were moved to Hell Valley in late August 1983, there was a weekly bazaar on Monday in Camp 5. Here prisoners would barter works of art, shoes, and pants for packs of cigarettes.

Singing

Singing in all its forms, mijana, 'utaba, qaradat and songs--is a direct form of expression used by the prisoners to lessen their pain and to express their feelings. When they held musical celebrations their instruments were skillets, metal tables, flutes made from water pipes, bottles, spoons, etc. After the Red Cross brought musical instruments, the phenomenon of Ansar bands emerged. They had guitars, drums, tambourines, flutes and harmonicas. After Bassam Daw', one of the musicians in the Mayadin troupe, was arrested, a large band was organized that played at parties and sang nationalistic songs, mostly by Marsel Khalifah.

Recitation of popular poetry was a direct form of expression used by the prisoners. That written in a sarcastic, critical, mordant style was easy to memorize, had a great effect on the listener and raised problems common to everyone. These were recited in groups gathered as a spontaneous chorus. They were recited at political gatherings, repeated in times of despair, and sung out in joy. There was nothing artificial or elaborate about them as they were direct and uninhibited.

This type of poetry is composed by the group. One person composes a stanza and another person completes the poem. Music, on the other hand, is copied from well-known popular songs by Fayruz or al-Shaykh Imam. Poems of the moment change with new circumstances and are rewritten and rearranged. Such poems were presented at the mass celebrations in the camps after the penetration of the barbed-wire fences.

However, traditional songs, mostly by Marcel Khalifah and Khalid al-Habr, are sung in the evenings or during uprisings. The song "I'm Calling You" by Ahmad Qa'bur is like a time bomb used to call on the prisoners to rebel.

The most popular singer at Ansar was from Hawla. He would sing songs by Umm Kalthum. He lived in Camp 16 but was released from Hell Valley in June 1983.

The religious "tawshih" form of poetry and Sufi songs and chanting circles are found, but within a limited context.

The mijana, 'utaba and abu al-zalaf were the first types of songs sung by the prisoners when first detained. Through these songs the prisoner could convey his suffering and trauma. The zajl form of poetry was preserved and there was no deviation from its framework of eroticism and praise for one's lover.

There were sarcastic love poetry [zajl form] contests. Some of the poems resembled those of Zayn Sha'ib and Zaghlul al-Damur. A chorus of listeners formed that would respond, "Destroy the tent and hasten our departure. God willing, they are listening to our goals."

Dabkah

The traditional dance, the dabkah, was one of the first forms of challenge to the soldiers of the occupation. Through this dance, the unity and solidarity of the prisoners was expressed. The dance also expressed happiness despite the suffering and punishment.

Because there is no difference between the Lebanese and Palestinian dabkahs, the prisoners joined to dance a single dabkah consisting of a simple 1-2-3 basic movement followed by striking the foot to the ground to cause the thud.

The dabkah first appeared in early winter, despite the limited freedom of movement granted to prisoners at that time. Soon the guards began to gather around the fence to watch the dance.

The dabkah is performed most evenings. Some skilled dancers perform the military and the haririyah dabkah.

The reed flute used to accompany the dance is made from the black plastic pipe used to carry water to the camp. It is perforated with a wire that has been heated in the fire. Shepherds are the ones who play the flute.

[1 Nov 83 p 5]

[Text] International treaties on prisoners' rights and the Geneva Convention--the third agreement on military prisoners and the fourth agreement on detained civilians--as applied to the prisoners of Ansar stipulates, in short, the following:

1--That the prisoner be provided with all the necessities of life--food and drink--in accordance with the dictates of his religion.

2--That the prisoner be allowed to worship freely and conduct religious rituals.

3--That the prisoner's physical and mental health be preserved as long as he is in captivity without forcing the prisoner to do any work that supports the military activities of the enemy.

4--That the prisoner be allowed to practice his culture as defined by him and that any books and supplies requested by the prisoner in order to do so be provided.

5--That the prisoner be provided the necessities for athletics, culture and entertainment.

How these rights were not granted, and how the prisoners got them granted represent a fundamental part of the history of life and struggle in the Ansar camps.

Athletics

In the Israeli detention camps, that is, before the prisoners were taken to Ansar, any movement inside or outside the tent was prohibited both day and night. No more than 1 hour was granted daily to relieve oneself. Drinking water, eating food, washing and praying were allowed during these periods. These regulations were transferred with the prisoners to Ansar where they were applied for more than 2 months from mid-July to mid-September 1982. After that, the Israeli laws concerning prisoners were applied. These included specific times for going to bed, waking up, eating and attending morning roll call. These regulations were relatively better than the previous unwritten laws, although their application was left to the whims of the Israeli police.

It can be said that while these laws were in effect, the prisoners could exercise just enough to stay alive. This small amount of exercise was to the advantage of the Israelis because the prisoners did not burn many calories and the food was, therefore, low in calories and stored in the body in the form of fats. Obesity appeared in many prisoners in the form of fatty deposits in the stomach and rump. Cases of diarrhea continued day after day due to the lack of exercise and due to other nutritional and psychological reasons.

As for exercise during the morning roll call session, every prisoner was forced to sit on the ground with his legs crossed as though he were stuck to the ground with his feet under his thighs. Both palms were held on the back of the neck after the head was bent as far down as possible so that the prisoner sees his stomach moving, rather than his chest, while breathing. The diaphragm is limited because the head is pressed tight against it with both hands. This leads to constricted breathing. When the prisoner stands up nearly all the muscles are cramped.

During this period there were no athletic activities except on a limited and individual basis, such as exercising the stomach muscles (inside the tent), holding the legs up while another prisoner holds the chest down, or exercising the chest and arm muscles by doing push-ups. Also, the muscle movements during prayer played more than a religious role as they provided exercise for the muscles and joints.

Toward the end of this period, walking was the only athletic activity permitted in the camps. Massages given inside the tents were very limited because of the shortage of oil. Athletic prisoners had a very difficult time adjusting to this situation. It was common to see most of the athletes competing in carrying barrels and boxes of garbage to the garbage truck so they could exercise their muscles. Then the prisoners were permitted to do calisthenics inside the tents or at their entrance.

A new phase began at the end of September when prisoners began jogging in the camp and in open areas. Jogging was the first group athletic activity at Ansar. Then the bench in the doctor's clinic began to be used for body building exercises. Readily available granite rocks were used as weights. With the arrival of winter, exercise became a necessity to lessen the cold and there was increased participation in running, weight lifting and body building.

The athletes in each camp began to set aside a small piece of ground in the courtyards behind the kitchen or the clinic, or near the restrooms and wash-rooms adjoining the fence. The weights were placed in these areas. These weights were made of stones of various weights and sizes, some weighing as much as 50 kilograms. Also, the pipes in the restrooms were used for gymnastics.

Volleyball

When athletics were first begun, the prisoners tried to play soccer. The International Red Cross had not supplied the prisoners with athletic equipment throughout their captivity because of Israeli refusal. The prisoners used wool stockings stuffed with rags and tied closed for soccer balls that were kicked around in the camp without following soccer rules.

The soccer ball evolved when a surgical glove (used by the doctor) was blown up like a balloon, covered with thick tent material and tightly stitched. It was like a volleyball in terms of weight and response. This ball continued to be used until the Red Cross brought leather balls (three for each camp) in July 1983. The possibility of playing volleyball was better than the possibility of playing soccer because the latter requires a large playing field. Therefore, volleyball became very common. Nets were made by cutting the green nylon at the entrance to the tents that was then put on two metal poles. The boundaries were lines drawn in the dirt.

Playing soccer was common in the winter camps (known by the letter "B" to the Israelis). The area of these camps was larger than that of the summer camps and the tents were arranged around the outside leaving a vacant area in the middle. Soccer was commonly played here using a surgical glove or a piece of sponge taken from a mattress, squeezed tightly, wrapped with a piece of thick material and stitched with sturdy nylon thread.

Weight Lifting

Weight lifting and body building developed with great speed and attracted a great many prisoners. The experts began to sleep near the weight lifting areas. They devised various implements to enhance the sport. To the sharp metal tent stakes that were about a meter long and 1 and 1/2 inches in diameter were added large empty tin cans that had been used for oil, disinfectant or insecticide. These were then filled with dirt or rocks and tied tightly to the ends of the stake. They were called "amounts" and were used for lifting and pressing.

Small weights had small cans attached and were used for exercising the arm and shoulder muscles.

At a later stage, that is, after the fence penetration of the summer of 1983, drain covers were used in place of cans. They were made of cement surrounded by an iron casing. A hole was drilled in the middle and an iron rod was inserted. This was much better than what the prisoners had previously. Some of these weights weighed 100 kilograms. They were taken with the athletic prisoners to Hell Valley.

In Hell Valley the Ansar championships for body building and weight lifting were held.

Boxing came relatively late. The gloves that were used were made of pants material sewn around bunches of rags. Rough boxing matches took place in Hell Valley. The champion was from Sidon.

Karate, judo and freestyle wrestling were also practiced, but in a limited fashion.

The dominant sport at Ansar continued to be volleyball until the prisoners were moved to Hell Valley where soccer and volleyball were equal.

Matches were held in Camp 5 where teams from different camps would compete for the championship.

The teams of camps 16, 17, 18 and 5 were the best in volleyball, while the teams of camps 14 and 17 excelled in soccer.

The teams had special white T-shirts with their slogans written on them and some of the new prisoners had sports shoes or sports outfits.

Entertainment

During the first stage, when there was torture, terrorism and killing, some useful devices for entertainment appeared:

1--Chess. The chess pieces were made from European bread mixed with water and red clay or with water and ashes. This way the prisoners would get pieces of two different colors. The board was drawn on a bread carton. When the prisoners were finished playing, they would hide the game well because the Israeli police often discovered the game and tore it up.

2--Cards. The deck was made by taking thin pieces of cardboard from packages of "Zebra" brand toothpaste and drawing the shapes and pictures on them. These were used for all kinds of games: tarnib, 14, bandurah and poker.

3--Dice. The dice were made from rocks numbered on the sides from one to six. The game was played for cigarettes.

4--Tic-Tac-Toe. The paper and pens were acquired from the camp doctor.

5--Throwing three small stones into the air and catching them with one hand.

6--Leap frog, etc. This was a type of group entertainment.

During the second stage, the Red Cross brought a number of items for entertainment:

1--Chess sets. This prompted many to learn how to play chess and there were a number of playoffs, the most recent being a match for the entire camp.

2--Backgammon. This game was more popular than all others despite the fact that its pieces were used as ornaments with things engraved on them. The price for a single piece was three packs of "Ceylon" cigarettes.

3--Scrabble. This is a word game using Arabic or Latin letters and is restricted to the educated.

4--Decks of cards. Despite the fact that these arrived late, card games overtook all other kinds of games. One would see sessions continuing day and night. One of the tragedies of cards was the spread of gambling, although in a limited way.

5--Dominoes. This was popular for a time, then it died out and the pieces were used for ornamentation.

Most of these items were in the possession of the mukhtars, the tailors, the doctors and the political leadership (the camp authorities).

Other types of entertainment were popular in the camps, such as cooking traditional dishes, which became an art and a hobby. Such dishes were falafil, namurah, cheese-filled pastry, etc. Another form of entertainment was making paper airplanes or kites made from pieces of clear nylon. These were very popular beginning in the spring of 1983. The line for these was taken from unraveled stockings or tent material.

Education at Ansar

In the first stage of captivity, education appeared in single tents. A professor, shaykh, engineer or educated person found in a certain tent would educate the rest of the prisoners. There were a variety of discussions in a milieu that was composed mainly of agricultural workers and day laborers. There were some career people and civil servants.

The education of a single tent became the education of an entire camp (400 prisoners). Then came the education of several camps with the spread of conferences, magazines, etc.

Education Supplies

The problem of acquiring education supplies, such as paper, pens, blackboards, chalk and notebooks, was solved in stages. The first papers used were: the cigarette packs (Ceylon and Median brands) which were opened and the white

inner part written on, the labels on cans of jam and meat, the glued side of which was white and clean, the cardboard from cigarette cartons, the cardboard from macaroni and toothpaste cartons, and paper from the doctor's notebook. In the beginning pencils owned by the doctor and the mukhtars were used and later, pens brought by the Red Cross were used.

The following things were copied on this paper:

- 1--Qur'anic verses, religious obligations, prayer times and instructions, holidays and special occasions, and the hadith of the Prophet.
- 2--Language lessons in French, English, German, Persian, Hebrew and Russian.
- 3--Reading lessons via drawing the shapes of the letters.
- 4--The words to songs, sayings and proverbs.
- 5--Desires and emotions.

In mid-October 1982 the Red Cross brought Qur'ans and Bibles. Two months later, in the beginning of 1983, they brought books of all kinds, literary and scientific (50 books for each camp), then they brought blackboards and chalk, drawing pads and coloring equipment.

In all the camps three types of semi-organized education were conducted: anti-illiteracy studies, religious studies, and foreign language studies.

Burning of the Library

A large library was put together by collecting a large number of books in Camp 6, where the hospital was located. The library was supervised by the prisoners' committee. On 19 April 1983, the day of the great raid, the library was broken into and destroyed.

When the prisoners were moved to Hell Valley in late August 1983, they took their books, pens and notebooks with them and reorganized the education program. Every camp had an education official and the books were put under his jurisdiction to distribute in accordance with a program agreed upon by the prisoners in the camp. Today we have all kinds of books and novels (scientific, religious, literary, Marxist) circulating among the prisoners while they are engaged in their bitter struggle to resist, persevere, and remain steadfast.

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CSO: 4404/124

BRIEFS

DISMANTLING OF SHI'ITE 'ARMY'--A Shi-ite from southern Lebanon, 'Abd al-Amir Mansur alias Abu Sita, showed up in Beirut today and announced that he was dismantling the southern Shi'ite army which, according to him, Israel had set up last month. He argued that this military organization had been established to serve as a tool of oppression. He apologized to the inhabitants of southern Lebanon for all the foolish things he and his friends had done. However, Israeli sources in southern Lebanon this evening made it plain to our correspondent Hayim Hecht that Abu Sita could not have dismantled any Shi'ite army in southern Lebanon because such an organization had never been established. Several Shi'ite units do operate within the framework of Major Haddad's militia. Abu Sita served under Haddad's command for some time, but was forced to leave because of a personal dispute. The sources added that Abu Sita had recently been commanding the civil guard in the village of Ansar. They noted that the guard continues to operate after Abu Sita's departure. [Text] [TA271919 Jerusalem Domestic Service in Hebrew 1900 GMT 27 Nov 83]

CSO: 4400/86

NEW INDUSTRIAL COMPLEX PLANNED

Muscat TIMES OF OMAN in English 3 Nov 83 pp 19-20

[Article by Muzaffar Mohammad]

[Text] Work is in advanced stage on the administrative complex at Rusail Industrial Estate which will be a focal point for the start of an era of industrialisation in Oman.

The complex designed by Turner Wright and Partners is scheduled for completion by March 1984. It will have shops, a cafeteria and a mosque. There is also provision for a bank, a post office and a clinic.

The Ministry of Commerce and Industry has made buildings for nine factories with areas ranging from 250 sq metres to 1,600 sq metres built to accommodate small as well as big manufacturing units.

The nine buildings will be allotted to industrialists to give them an early start. Others will be given plots to build their own factories. The Ministry of Commerce and Industry has already allotted plots to some applicants.

The administrative building which will house the offices of the Rusail Industrial Estate Organisation is being provided with an exhibition area to enable manufacturing units to display products to visitors and interested buyers.

The industrial estate has been provided with a total of 117 hectares of leveled land under a contract completed at a cost of RO 570,000. The infrastructure for the first phase is enough to provide 50 hectares of developed land. The infrastructure for Phase II is on the drawing board. It will provide 40 hectares of developed land.

The Phase II work will include reclamation of about 4.4 hectares of land for the site of a proposed steel mill.

The industrial estate gets its power from a 200 mw power house set up by the Ministry of Electricity and Water. The station can be expanded to 500 mw to meet any future demands.

The General Telecommunications Organisation will build a telephone exchange of 1,000 lines for the area.

A project to bring water from the Ghubra desalination plant has been on tender. The estate will also be provided with standby supply arrangements for emergencies.

CSO: 4400/73

STATE CONSULTATIVE COUNCIL ENLARGED

Muscat TIMES OF OMAN in English 3 Nov 83 p.1

[Text]

His Majesty Sultan Qaboos has issued a Royal Decree nominating the members of the State Consultative Council.

The decree has increased the number of the Council members to 55.

Nineteen members, representing the Government sector, are Under-Secretaries to the Ministries of Interior, Education and Youth Affairs, Health, Social Affairs, and Labour, Land Affairs and Municipalities, Commerce and Industry, Agriculture and Fisheries, Communications Electricity and Water and Posts, Telegraphs and Telephones.

Nine government officials will be Council members in their personal capacity. They are:

Hamoud Abdullah Al-Harthy, Aamir Ali Omair, Mohammad Ali Nasser Al-Alawi, Saeed Nasser Al-Khusaibi, Malallah Ali Habeeb, Sultan Hamad Hilal Al-Sammar, Hamad Hamad Abid Al-Ghafiri, Abdullah Sakhr Al-Amri and Ali Saeed Badr Al-Rawwas.

Thirty-six members will represent the national sector:

Eleven of them will represent the private sector. They are: Ali

Sultan Mohammad Fadhil, Ali Mohammad Moosa, Mohammad Abdur Rasool Al-Jamali, Mohsin Haider Darwish, Nasser Mohammad Umair Al-Hinai, Aflah Hamad Salim Al-Rawahi, Nasser Abdullah Matar Al-Buraiki, Ali Hamad Saif Al-Kalbani, Ahmad Saood Sulaiman Al-Kindi, Mubarak Juma Bahwan Al-Makheeni, and Ali Mohammad Aqeel.

Twenty-five members will represent different regions. They are:

Shammas Hamoud Mohammad Al-Battashi, Salim Marhoon Salim Al-Maamari, Sabba Hamad Sabba Al-Sadi, Mohammad Salim Saif Al-Saeedi, Maalik Ibrahim Saif Al-Kindi, Abdullah Hamad Ahmad Al-Busaidi, Khamees Humaid Khamees Al-Miqbali, Ahmad Ali Al-Sagheer Al-Shihhi, Abd Al-Sattar Ahmad Al-Kamali, Hamad Al Saeed Al-Ghafiri, Mohammad Hamdan Nasser Al-Alawi, Ahmad Rashid Hamad Al-Shaami, Mohammad Sultan Ali Al-Kaabi, Badr Salim Al-Abri, Mohammad Abdullah Zahir Al-Hinai, Ali Abdulla Ali Al-Khaleeli, Ahmad Saif Hilal Al-Mahrouqi, Ahmad Mohammad Abdullah Al-Salimi, Mohammad

Khalifa Ali Al-Harthy, Hamad Mohammad Taba' Al-Farasi, Nasser Ahmad Sultan Al-Ismaili, Aamir Ahmad Bakheet Al-Shanfari, Ahmad Mubarak Mustahil As-Shammas, Bakheet Saeed Al-Amri and Ali Mahaad Owaid Al-Maashani.

Hamoud Abdulla Al Harthy has been appointed as President of the two-year Council.

His Majesty has issued another Royal Decree appointing Khalfan bin Nasser Al-Wahaibi as Minister of Electricity and Water. He was President of the last Council.

Two Royal Decrees were issued last week by His Majesty.

The first appoints Sayyid Sultan bin Hamad bin Faisal as Under-Secretary of Tribal Affairs and Sayyid Abdul Aziz bin Saud bin Harib as Under-Secretary of Administration and Financial Affairs at the Ministry of Royal Diwan Affairs.

The second appoints Salim Ahmed Khalfan as Under-Secretary of Roads, Ports and Public Transport and Sayyid Sami bin Hamad bin Hamoud as Under-Secretary of Civil Aviation and Meteorological Affairs at the Ministry of Communications.

COUNTRY'S JUDICIAL SYSTEM DESCRIBED

Muscat TIMES OF OMAN in English 17 Nov 83 p 18

[Text] The year 1983 has been of great significance for Oman, as it has enabled the Government to take a series of steps to administer equal justice to all in accordance with the teachings of Islam which His Majesty Sultan Qaboos considers to be the basis of stability and security in a welfare state.

Realising that the Sultanate's population has been increasing, the Government contained its scheme of setting up more regional courts to ensure that local disputes are settled by regional Shariah courts without the people involved travelling to the Capital Area.

The year 1983 brought the total number of courts in Oman to 50. There is now one court administering justice to an average number of 300,000 people, which, by international standards, is very encouraging.

The Government has also been keen to provide the courts with all modern facilities to ensure that they are fully equipped to perform their functions. Most of the courts has been provided with separate, modern buildings, each having a magistrate, his deputies, clerical staff and other administrative workers.

The Shariah court in the Capital, until very recently housed in a building which did not have enough space, has now moved to new spacious premises in the vicinity of the Ministry of Justice, Awqaf and Islamic Affairs. This has helped establish greater cooperation between the court and the Ministry.

The Ministry keeps transferring the judges from time to time to make sure that they adequately arbitrate, solve problems and resolve conflicts in both ordinary and criminal cases, treating the

Islamic Shariah as the primary source of law.

The courts in Oman are different from courts anywhere else in the world.

When a civil or criminal case is brought to a judge, he first tries to ascertain the causes by listening to the parties involved and to help the plaintiff and the defendant reach a compromise solution.

In case of personal law like divorce, polygamy, inheritance and family disputes, the magistrate first acts in his personal capacity, using his senior position to negotiate a settlement on a give-and-take basis.

A number of cases, where the death of a husband caused inheritance disputes, were disposed off recently without the involvement of the courts in their official capacity.

An important aspect of Oman's judicial system is that the Ministry has armed regional courts with full authority. This has been done for two reasons.

First, the regional magistrates are fully conversant with the local atmosphere, are acquainted with local dignitaries and can see things in their proper perspective.

Two, the authorities want to save people the trouble of going to the Capital. In a majority of cases, the parties involved have been reported to be satisfied with the judgements handed down by the local courts. During the year 1983, an approximate number of 100,000 cases were disposed off by different courts all over the country.

The appointment earlier this year of a young and seasoned personality as

Under-Secretary for Justice by His Majesty Sultan Qaboos has gone a long way in organising the activities of the courts.

The newly set up Directorate General of Courts, with a separate office of its own, has also helped in streamlining the judicial system.

Regional courts in Oman are very careful about delivering their verdicts, as they know that the parties involved are entitled to appeal against these verdicts.

The Ministry of Justice, Awqaf and Islamic Affairs has a three-member Appellate Court which is empowered to review the sentences passed by the local courts.

The bench comprises of three senior judges all of whom are experts in Muslim law and jurisprudence and are well known for their righteousness. The court hears the parties and reviews sentences in the light of (a) Islamic Shariah and (b) earlier legal precedents.

The Government has laid tremendous stress on the principle, of 'justice delayed is justice denied'.

In this regard, Oman is absolutely different from other developing countries, where litigation procedures take years.

The Omani courts normally deliver their verdicts the next day or in a week's time at the most if the case requires inquiries and collection of data. The hearing dates are normally very near to the dates on which the suits are filed.

Developments during 1983 have proved that Oman will probably face no problems in the future over the provision of professional staff for its courts. The Judicial Training Institute, housed in the Qaboos Mosque in Ruwi, has produced the first batch of graduates. Many of them have already been appointed as sub-judges. The institute, which about four dozen students on its roll, provides training in Islamic theology, jurisprudence, judicial procedure and ethics.

The students are sent to other countries from time to time to acquaint themselves with legal systems there.

The institute has an exclusive library where the students can read a collection of rare books written by Omani jurists.

During the next few years, Oman hopes to have new batch of highly qualified young judges fully conversant with modern legal systems.

The government has been particular about providing all material benefits to the judges to ensure that they devote their full time to their official duties.

The judges have been provided with full-equipped modern houses and efforts are underway to improve their living standards. While selecting the judges, the authorities give top priority to higher learning, expertise in Muslim law, social background and high moral standards.

The Ministry of Justice, Awqaf and Islamic Affairs is planning to further expand and reorganise its activities. To achieve this, the Ministry will move to a new building in Al-Khuwair in about two year's time.

The building, which will house the Capital Area Shariah Court, the Court of Appeal, the proposed Supreme Court and different directorates, is currently under construction.

However, the setting up of the Supreme Court will not curtail the powers of the local courts, as the Government has every intention to decentralise the judicial authority.

AGRICULTURAL AID FROM PAKISTAN DISCUSSED

Muscat TIMES OF OMAN in English 3 Nov 83 p 5

[Text]

The leader of a Pakistan agricultural delegation Major General Agha Manzour Rauf who left Muscat on Sunday night after a week's visit to the Sultanate spoke of vast agricultural and cattle farming potential in Oman.

Talking to the Times before his departure Major General Manzour, who is Additional Secretary in Pakistan's Ministry of Power and Water Resources, said that Oman had an abundance of water resources and pasture land which could be developed to promote agriculture and livestock.

The Pakistani official who during his stay visited Batinah and Salalah said Oman has a vast amount of fertile land which if developed can make the country self sufficient in fruit, vegetables and meat and have surplus for exports.

He said Pakistan has invited Oman to share its research involving special kinds of seeds and plants which have great resistance to disease and need less water.

Pakistan was ready to share its experience in the management of water resources gained in the Baluchistan Province which has similar soil and climatic conditions to Oman.

He said Pakistan has done lot of research in poultry and cattle farming and has created special breeds which can survive the excessive heat. Pakistan, he added, is ready to provide its expertise in integrated cultivation methods and the use of biological means to fight plant diseases which are less expensive and simpler than chemical sprays.

The delegation held talks with Omani officials headed by the Under Secretary of Agriculture and Fisheries. It was also received by Mr. Abdul Hafiz Salem Rajab, Minister of Agriculture and Fisheries.

The delegation included Mr. Inayatullah Kahan, Director of Fisheries; Dr. Bajwa, Director of the Wheat Research Institute, Dr. Hafeez Mohammed and Brig. Retd. Iqbal-ur-Rahman. They were seen off at Seeb by senior officials of the Ministry of Agriculture and Fisheries and Mr. Abdul Hamid Qureshi, Pakistan's Ambassador.

CSO: 4400/73

BRIEFS

INTERNAL ROADS, AIRPORT EXPANSION--The Minister of Communications, Sayyid Salim bin Nassir al Busaidi, has signed two separate contracts for carrying out the second phase of internal roads in Salalah and for the expansion of the Seeb Airport terminal. The first contract signed with Al Nasr Arab Company involves the construction of roads, 21 kilometres long, in Central Salalah, Al Baleed and Al Hisn, widening of the Airport and Al Nahdha Roads and maintenance of certain city roads as well as street lighting and building of car parks. The cost of the project is OR2,067,989. The project will be completed in a year. Proprietor Musallam Abdulla al Rowas signed the agreement for the company. The second contract for the expansion of the Seeb Airport terminal was concluded with CCC. The project comprises the expansion of the departure lounge, constructing a transit lounge, another lounge for first class passengers and a reception hall at the arrival terminal. The work on the OR5,125,024 project will be completed in 19 months. The contract was signed for CCC by Director Yousif al Shammas. [Text] [Muscat OMAN DAILY OBSERVER in English 3 Nov 83]

NEW POWER STATION--A new power station has just been commissioned in Salalah. Located near the Raysut Port, the OR6m station was formally switched on by the Minister of State and Wali of Dhofar, Sayyid Hilal bin Saud bin Harib. West German firm KHD were the contractors and the project was handed over to the Government on 1 October. Work began in July 1982. The proposal for a new power station in the region was felt in view of the rising power consumption as a result of the fast development work taking place, said Electricity and Water Under-Secretary Musallam bin Ali al Busaidi in a speech at the opening ceremony. The 41.5 MW power station along with the existing one is expected to meet the entire demand for power in Salalah and its surrounding areas until the end of the second five year plan, Mr Busaidi added. Also attending the function were the Deputy Wali of Dhofar, Shaikh Mohammed bin Ali al Qatabi, shaikhs, local dignitaries and top government officials. [Text] [Muscat OMAN DAILY OBSERVER in English 14 Nov 83 p 7]

MAIL SERVICE FOR RADIOACTIVE SUBSTANCES--The Directorate General of Posts is looking into the possibility of introducing a service for the transportation of radio-active material by mail. The plan is under preliminary discussion and the directorate is collecting details from international sources about the service. Sayyid Ghalib bin Khalid al Said, Director

General of Posts, attended a seminar on the transportation of radioactive materials by mail in Vienna from October 22 to 27. A spokesman of the Directorate said that Oman's participation in the seminar was to get an idea about the service. Earlier Sayyid Ghalib visited Paris to inspect the automatic sorting equipment which is planned to be installed at the automatic sorting centre at Seeb. Oman has placed an order with a French firm Hotkins Bradt Sogen for the supply of sorting machines and bundling machines. The total cost of the project is R.O.684,000. [Text] [Muscat TIMES OF OMAN in English 10 Nov 83 p 11]

OPENING NEW HEALTH CENTRES--Many projects of the Ministry of Health are to be inaugurated shortly to mark the National Day celebrations. These include: health centres in Saham and Quryat each having 24 beds, OPD, a medical laboratory, a pharmacy and X-ray section. The two health centres also include buildings to provide vaccination against infectious diseases, to provide mother and child care and to combat malaria. Facilities are also available for fighting insects, for food control, school health and health education. The health centres also include residential accommodation for staff. Another health centre is to be set up in Wadi al Jizi. It includes an OPD which has a room for surgical operations. It also includes a laboratory and a pharmacy. All these form the first stage of the project. The second stage will be carried out later. The new projects also include Ibn Sina Psychiatric hospital. The 60-bed hospital will have a ward for men and one for women. The hospital, in Wadi Hattat in the Capital, will provide treatment to patients suffering from all kinds of psychological diseases. The hospital is equipped with the latest instruments. A dispensary will also be opened in Wadi Hattat. It will offer treatment to people with the help of health assistants. The medical officer at the parent hospital will pay weekly visits to the dispensary. [Text] [Muscat TIMES OF OMAN in English 24 Nov 83 p 1]

NEW RADIO STATIONS--New radio stations with broadcasts reaching Oman will begin transmission in January and TV programmes will be on the air from April. The Abu Dhabi Radio and TV Administration announced a major expansion programme to cover the Northern Emirates, the Sultanate of Oman and the Arabian Sea region. Neighbouring regions may also be able to receive programmes from relay stations at Fujairah, Dibba, and Khor Fakkan. [Text] [Muscat TIMES OF OMAN in English 24 Nov 83 p 5]

IRAQ-OMAN RAIL LINK--The British railway consultants are beginning a feasibility study in London this week for a rail line from the Iraqi border to Oman, avoiding the strategic Strait of Hormuz. The experts are from the British company--Transmark, which was appointed at a recent Gulf Cooperation Council summit to carry out the survey. They will concentrate of financing aspects of the project, which, if approved, will link up with the European railway network via Turkey as well as with the expanding Saudi Arabian network. A Transmark spokesman said the survey, which must be completed within seven months, would try to estimate traffic demand and whether passenger-only, freight-only or combined services were feasible. He said the line could

be used to transport crude oil from the northern end of the Gulf if the Strait of Hormuz was blocked, passing through Kuwait, Saudi Arabia, Qatar and the United Arab Emirates. Transmark, a part of state-owned British Rail, has also carried out studies for Iraq and Kuwait on the possible construction of a line from Kuwait to join with the Iraqi network. To complete the entire circuit around the peninsula, a Saudi Jordanian-Syrian technical committee is considering the restoration of the old Hijaz railway, which originally ran from Damascus to Medina. [Text] [Muscat TIMES OF OMAN in English 24 Nov 83 p 7]

NEW CAPITAL ROADWAY--Omani flags fluttered in the breeze as Governor of the Capital and Personal Advisor to His Majesty Sayyid Thuwaini bin Shihab officially opened the Darsait to Qurm dual carriageway on Sunday. He unveiled a stone plaque in a specially constructed parking zone and then cut the red velvet tape stretched across one carriageway. Driving a Mercedes, Sayyid Thuwaini then travelled to the Qurm exit. The ceremony was conducted before a large gathering of Ministers, diplomats, representatives of the construction company Strabag, and others involved in the road projects. The six kilometre stretch of road sweeping over the hills has taken two years to complete and relieves pressure on the frequently congested Qaboos Street. The Minister of Communications, Sayyid Salim bin Nasser Al Busaidi, said in an address, that the new road was an important achievement, and a vital part of Oman's rapidly growing network of roads. Under His Majesty's directives, road developments would continue apace, helping Oman's steadily progressing economic and social development. The new road, he added, was phase one of the Capital Area's road programme. [Text] [Muscat TIMES OF OMAN in English 17 Nov 83 p 4]

NEW POWER STATION--A new power station has just been commissioned in Salalah. Located near the Raysut Port, the RO6m station was formally switched on by the Minister of State and Wali of Dhofar, Sayyid Hilal bin Saud bin Harib. West German firm KHD were the contractors and the project was handed over to the Government on October 1. Work began in July 1982. The proposal for a new power station in the region was felt in view of the rising power consumption as a result of the fast development work taking place, said Electricity and Water Under-Secretary Musallam bin Ali al Busaidi in a speech at the opening ceremony. The 41.5 MW power station along with the existing one is expected to meet the entire demand for power in Salalah and its surrounding areas until the end of the second five year plan. Mr. Busaidi added. Also attending the function were the Deputy Wali of Dhofar, Sheikh Mohammed bin Ali al Qatabi, sheikhs, local dignitaries and top government officials. [Text] [Muscat TIMES OF OMAN in English 17 Nov 83 p 35]

CSO: 4400/82

RADIO VIEWS ARAB REACTIONS TO U.S.-ISRAELI MOVES

JN042115 Damascus Domestic Service in Arabic 1630 GMT 4 Dec 83

[Palestine broadcast: "Talk of the Return"]

[Text] Following the announcement of the recent U.S.-Israeli strategic agreements and the two states' declaration of their total alliance against Syria, Western political observers found themselves jumping to a logical conclusion; namely, that such a development in the anti-Arab U.S. policy must lead to a large-scale Arab reaction against the United States. This is because any Arab regime which does not react against the United States will from now on be considered to be a partner of the United States and Israel in their joint plans of aggression against Syria, the Lebanese nationalist forces, and the Palestinian revolution. Western observers are discussing the Egyptian regime's impasse vis-a-vis this new reality. Would it choose absolute fusion in the Camp David alliance against the Arabs, or would it try to dissociate itself from the Camp David agreement so as to return to the Arab fold and face the Arabs' enemies?

What will the situation be like for the other regimes which have been preserving traditional friendly relations with the United States despite everything? These regimes have always attempted to justify these relations by wagering on a positive change in the U.S. attitude toward the Israeli-Arab dispute. Now these regimes cannot use this pretext, and hence, their adherence to their special relations with Washington will be, in the eyes of the Arab masses, a transfer to the U.S.-Israeli camp of aggression. Nobody will be able to save them from the internal troubles which will emerge against them as a popular reaction to the enemies' moves.

Despite the fact that the Western political observers tend to support such contingencies--based on their logical analysis of the situation--we do not rule out the possibility that many reactionary Arab regimes, which are connected with Washington, would take open steps toward an alliance with the United States and Israel against Syria and the Arab masses which find in Syria their hope in steadfastness, and confrontation, and in preserving the Arab homeland's independence by facing the U.S.-Israeli hegemony and occupation.

King Husayn's statement to the WASHINGTON POST in which he invited Yasir 'Arafat to transfer to Amman and to reach agreement with the Jordanian Government on the plans to participate in the negotiations with Israel on the Reagan plan is the first reactionary move which represents open support for the Reagan-Shamir plans. Will Yasir 'Arafat accept King Husayn's invitation and be his first partner in taking sides in favor of the U.S.-Israeli alliance?

We do not rule out the possibility that 'Arafat will accept King Husayn's invitation and play--as he played many times in the past--the role of a broker for the path of treason and capitulation and for opening the gates of the Arab homeland to the United States and the Zionists. 'Arafat and King Husayn did not sever their relations with al-Sadat and Mubarak following the Camp David agreements and the separate peace agreement between the Egyptian regime and Israel. Both treaded a conspiratorial path aimed at enabling the United States to impose the U.S. settlement on the region. We will not be surprised if one day the papers show Shamir, 'Arafat, and King Husayn sitting at the negotiations table, as we saw al-Sadat sitting at the same table in the past.

Deviations by some leaders and regimes will not stop our march of struggle and will not lead us to despair. The banner of steadfastness and resistance will remain high over the arenas of struggle until our people and nation achieve victory over the enemies and their agents.

CSO: 4400/84

ICATU CONDEMNS U.S. RAID ON SYRIAN POSITIONS

JN071456 Damascus SANA in Arabic 1315 GMT 7 Dec 83

[Text] Damascus, 7 Dec (SANA)--The International Confederation of Arab Trade Unions [ICATU] denounced the U.S. air raid on the Syrian forces which took place in Lebanon last Sunday as the implementation of the U.S.-Zionist strategic agreement.

In a statement published today, the ICATU affirmed that the U.S. aggression, which takes place simultaneously with the continued Zionist-NATO aggressions, aims at undermining the independence and sovereignty of the region's states and threatens world's peace and security. It also implies an evil aggressive tendency that dominates the U.S. administration's mentality and governs its relations with the world.

The statement explained that the U.S. imperialist aggression against the Syrian forces, the Lebanese nationalist forces, the National Salvation Front, and the Palestinian revolution is an attempt to force unjust conditions in order to reach a settlement in a U.S.-Zionist fashion.

The ICATU wondered in its statement what the Arabs are expecting to get from the United States following all these conspiracies and aggression against the Arab nation, especially after it has been proven that the United States is not an international mediator but an actual partner in waging aggressions, killing innocent persons, and threatening the Arab people's security. The ICATU called for the Arab countries to repudiate marginal differences, and called for action to establish a Syrian, Palestinian, and nationalist Lebanese military front in order to oppose aggression and the attempts to impose Zionist-U.S. hegemony on the Arab region.

Concluding its statement, the ICATU hailed the Syrian forces which confronted the hostile U.S. planes and gave the best example of sacrifice in defense of the Arab nation's honor and dignity.

CSO: 4400/84

BRIEFS

ATH-THAWRAH ON CYPRIOT TALKS--In its commentary today, the newspaper ATH-THAWRAH deals with the ways to solve the Cypriot question. It says: Syria, which has supported the Cypriot people's struggle throughout its stages, today supports the Cypriot people's efforts to solve their problem in a just manner that will preserve the island's territorial integrity, independence, and nonalignment and that will foil the colonialist intrigues against the island's people and their future. The road leading to this solution is consecrated by the UN resolutions. It is essential to reach such a solution through negotiations between the Cypriot representatives under the UN aegis in order to preserve the interests of Cyprus, its people, and the region. The dangers to which Cyprus may be exposed will inevitably affect the region. It is in the interest of the region's peoples and the national liberation movement in particular, to maintain Cyprus as a unified, independent, and nonaligned state that adopts a policy hostile to imperialism, Zionism, and racism. [Text] [JN240943 Damascus Domestic Service in Arabic 0445 GMT 24 Nov 83]

TISHRIN RAPS FRENCH ROLE--Damascus, 27 Nov (SANA)--TISHRIN asserts that the French stand on the current conflict in the Middle East contradicts everything that has been declared in President Mitterrand's policy, denies any claims of a balanced French role in this conflict, and exposes France's unwillingness to continue the good French-Arab relations. In a commentary today, TISHRIN explains that what Mitterrand's administration declares is firm evidence of France's desire to return to a colonialist course in this part of the world. After TISHRIN reviews French collusion with Zionist ambitions, it says that within the framework of Syria's solid and continued confrontation, and the firm determination to continue retaliation against all forces of evil, aggression, and hegemony, Syria will remain waiting for the U.S.-French-Zionist imperialist alliance with all its parties and objectives. [Text] [JN271553 Damascus SANA in Arabic 0845 GMT 27 Nov 83]

USSR DEPLOYMENT IN SYRIA--According to a report by BEIRUT AN-NAHAR, the Syrian Government will probably ask for the deployment of Soviet military units on its territory in order to face the U.S.-Israeli strategic cooperation. There is no official confirmation of this report from the Syrian side. However, a Syrian spokesman stated yesterday that the Damascus government is seeking ways to restore the balance of power in the region following the recent U.S.-Israeli agreement for strategic cooperation. [Text] [NC071306 Athens Domestic Service in Greek 1230 GMT 7 Dec 83]

CSO: 4400/84

POST-REVOLUTION PORTS, FACILITIES IMPROVED

Sanaa AL-THAWRAH in Arabic 14 Oct 83 p 3

[Article by Muhammad Muthanni: "The Port of al-Hudaydah Is No Different from Any Other, With its Equipment and Facilities. The Port of al-Makha Can Handle a Million Tons of Goods"]

[Text] Seaports, with their equipment and facilities, are considered to be among the most important means of conducting and mobilizing trade. This is not all. Rather, such port facilities also mobilize and expand the movement of society, in addition to making this movement continuous and lasting. He who returns to the past will bring away no more than the gloomy image of the bygone regime of the Imamate.

The movement of trade used to be limited to that of ships which went to purchase goods. They would go a few miles out into the sea, unload goods from the decks of steamers, and then take them to what was called the port, where they were unloaded once again onto the backs of the stevedores. So it went. This caused the movement of trade to be slow and easily influenced. After the glorious revolution, it was possible for the movement of trade to witness incessant growth and constant expansion, thanks to the construction of ports outfitted with various modern and necessary facilities on the various parts of the coastline in the area of al-Hudaydah. This was part and parcel of the revolution's inexhaustible benefits. We had occasion to meet with Brother 'Ali Hamid Sharaf, the general director of maritime affairs in the General Organization of Ports. It was a meeting which was not a question and answer affair but a single conversation on the benefits brought by the revolution in the area of ports and what it had provided up through its 21st year. On this occasion, Brother 'Ali Hamid Sharaf said (illegible)

There is No Basis for Comparison

Important projects have been carried out in the port of al-Hudaydah which are considered to have advanced its activity. If we were to compare the situation in the port today and the things that have been achieved in it with the port as it was in the past, we would find no basis for comparison. Before the revolution, the harbor was no more than 300 to 350 meters wide. It was the only harbor; there was no other, except for anchorages for small ships at al-Mukha, Maydi and al-Khawkhah. The quantity of goods

which the port of al-Hudaydah could absorb did not exceed 100,000 to 150,000 tons. There was no administration in the real sense of the word. Neither were there any facilities, services, or contacts with other ports. The goods were not handled in the right way. However, thanks to the revolution of 26 September, the port of al-Hudaydah has been able to move forward, not only by creating facilities and establishing contacts between the ships and the port and other ports, but also by lengthening the wharves, which are estimated to be a kilometer in length and can handle six big ships.

In addition, there are more than 14 warehouses for receiving and storing goods, in addition to associated technical workshops, an electric power plant, and large areas where goods can be placed before being stored.

Contacts With Ships on the Sea

The area of the port is about a million square meters. It services the goods outside the storage facilities. The roads and paths are paved and the areas are illuminated. Water pipes and telephone lines have been put in, and telephone equipment has been installed for contacting ships at sea.

Brother 'Ali was interrupted by the telephone for a few moments. Then he resumed speaking.

A Specialized Maritime Station

There is now, in addition to all the rest, a specialized maritime station which contacts the ships and finds out when they will enter and leave the port. It takes care of coordination with the institutions which are concerned with these ships.

Ten Tugboats

He returned to the past and noted that that port had only one tugboat for the ships before the revolution. This slowed the work down. Today, there are more than 10 tugboats, which belong to the organization, as well as an excavator and a floating crane which can lift 75 tons out on the sea. Nowadays, the port has lighting towers at the entrances, and buoys which show the ships how to enter and exit through the straits and channels fit for navigation. It also has Yemeni pilots trained in sea operations. The administration has been organized into various divisions. Thus, we can say today that the port of al-Hudaydah, with its equipment, is no different from any other port in terms of quality and service.

In addition to the port of al-Hudaydah, two new ports have been built, thanks to the blessed 5-year plan and the support of Brother Leader President Col 'Ali 'Abdallah Salih, who has given the ports special importance and strongly pushed development forward in order to achieve the ambitions of the people. There are now two other main ports, al-Mukha and al-Katib, serving the main movement of transport. The port of al-Katib, which is about 14 kilometers from al-Hudaydah, has three big

wharves which can handle four large ships, each one carrying no less than 18,000 tons. This harbor is linked to al-Hudaydah by a new road. As part of the second 5-year plan, the port of al-Katib is now being developed and improved. New storage areas and warehouses are being built, as well as a communications network for reaching the ships, in order to improve the services in this port and increase its output. All this is being done with a view toward the importance of this port, given its close location for the draft which ships find there, and in order to lighten the pressure on the port of al-Hudaydah.

As for the ancient port of al-Mukha, which was closed to all shipping, even small boats, it has been reclaimed. A new harbor has been built there, as well as wide storage areas for goods behind the wharves. Four warehouses have been built there to store goods. Water pipes and telephone lines have been extended to the wharves, as well. New tugboats were brought in to assist the ships in entering and departing. The navigation channel has been illuminated with lighting towers, and a new administration has been set up. A special division has also been set up for contacting ships at sea. The port of al-Mukha can now handle three ships, in addition to small galleys. It now has a large capacity, since it can take in a million tons of goods a year, while in the past it could not handle a single parcel, due to the sand drifting in from the south.

He finished by saying the following:

"The September revolution has achieved great things in various areas. As the days pass, it continues its contributions. Studies and research are now being done on the port of al-Salif, which is considered one of the most important ports on the Red Sea, due to its depth and the excellent protection its position offers ships and shipping. We hope all these ambitions will be achieved in the shadow of the immortal, generous revolution, under the leadership of that leader and commander, President 'Ali 'Abdallah Salih.

"I thank the newspaper AL-THAWRAH for taking an interest in us."

12224

CSO: 4404/129

ELECTRICITY COMES TO CITIES, COUNTRYSIDE

London AL-DUSTUR in Arabic No 308, 17 Oct 83 pp 36-37

[Article: "The Cities and Countryside are Being Electrified After Centuries of Darkness"]

[Text] As part of the Yemen Arab Republic's celebration of the 21st anniversary of the revolution of 26 September 1962, Yemeni President 'Ali 'Abdallah Salih inaugurated the first central electric power station of its kind in Yemen. It is located in the "Ra's Katib" area. The country's first unified electricity grid connects it with the most important cities of Yemen.

The construction of this vital project, which has been called the second stage in the program to develop electric power in Yemen, was first conceived in 1976, one year after the General Yemeni Organization for Electricity was established. The studies connected with the project were completed in 1977. The project was included by the state in the country's first development plan (1971--1981).. Its execution took 3 years (1980--1983).

The second electric energy project consists of the following parts:

1. A steam-powered electric power plant at Ra's Qatib.
2. 512 kilometers of 132 kilovolt electric power lines between al-Hudaydah, Ra's Katib, Bajil, Dhamar, Sanaa and 'Amran, as well as between Dhamar, Ibb and Ta'izz.
3. Main transformer stations at Ra's Katib, al-Hudaydah, Bajil, Dhamar, Sanaa, 'Amran, Ibb and Ta'izz.

If we go back to the years before the General Yemeni Organization for Electricity was set up, we find that electricity was made available in a primitive fashion in a number of cities and large villages by means of a large number of electricity companies. In addition to three companies which were responsible for generating and distributing electricity in the main cities, there were private companies in the smaller towns, such as Ibb, al-Mukha, al-Qa'idah, etc. Other cities witnessed the foundation

of electricity companies at the end of the 19⁵⁰'s, but these companies could not last. We note that most earlier projects were characterized by the following characteristics:

1. The generation of electricity was limited to parts of the main cities, while being absent in the small towns and the countryside.
2. Emphasis was placed essentially on supplying the government and residences, with the supply for commercial and industrial consumption being limited.
3. With the exception of the capital of Sanaa, electricity generators were small in size, while the power distribution grids were very weak. They lacked the means necessary for planning, designing, installing and carrying out proper maintenance, since most electricity companies lacked engineering expertise.
4. Resources were scarce. This redounded on the availability of spare parts for both the generators and the grid.
5. There was no interconnection or coordination between the companies, and no exchange of expertise and sources.

In view of the increase in the cost of imported petroleum products after 1973 and the great expansion of development following the revolution, as well as the government's orientation toward the path of comprehensive development on scientific and economic foundations after the republican regime stabilized, and on the basis of numerous studies done for the government by the Central Planning Organization and specialized consulting firms, it was decided to execute an ambitious program to electrify Yemen in stages. The General Organization for Electricity was commissioned, after being founded in 1975, to carry out this program within the context of the state's development program and plans.

This program attracted Arab development funds for financing. The organization also received the support of the Arab Fund for Social and Economic Development and the Saudi Development Fund, which were among the first to join with the government in financing the first stage of the program. The first stage witnessed a strengthening of the diesel-powered generating capacity in the cities of Sanaa, Ta'izz and al-Hudaydah. Moreover, the extant power plants were expanded and new stations were built in the three cities. As for the area of strengthening and reinforcing the extant distribution grids in the three cities, the project included the construction of new distribution lines and stations. The project cost about 110 million Yemeni riyals.

In view of the natural increase in the demand for electricity in the three cities, in addition to the unsatisfied demand which arose due to quick and surprising growth in the 1970s and the great damages sustained by the old generators, the organization undertook another

expansion of the extant power plants. It also built new plants. This operation was referred to by the organization as the "Interim Generation Projects," since it was neither part of the original Phase One project nor included in the subsequent Phase Two project.

Although the organization was formed by merging three companies that used to operate in the cities of Sanaa, Ta'izz and al-Hudaydah, it gave its attention to extending electric power to the secondary towns and larger villages. In this it was following the directives of the government. Of course, the organization undertook dozens of projects on its own, using local (governmental, cooperative, and joint independent) financing. The list of completed projects makes it clear that nine of the republic's governorates have been the sites of the organization's accomplishments. It intends, moreover, to cover all the governorates after carrying out the rural electrification project as part of the second stage of the program to develop electric energy in Yemen. These projects now total 37 basic rural projects. They serve about 35,000 participants.

As the organization was devoting itself to improving the capacity and quality of electricity distribution in the cities and areas it was responsible for, it was also, starting in 1976, preparing to construct a central power plant and a unified electricity grid with which to link these projects electrically, thereby providing a greater degree of flexibility and capacity, while lowering operating costs and creating the foundations and material capabilities needed to electrify the country on a broad basis. This was in keeping with one of the tasks set for it by its founding statute. In the late 1970's, the field execution of a group of projects which made up the second stage of the electricity program began. In addition to central generation and the power grid, these projects include the second stage of the improvement and expansion of the cities' distribution grids.

The steam-driven power plant at Ra's Katib (1979-1983) may be the most important project of the second stage. The largest part of this project was completed during the first 5-year plan. It was officially inaugurated by the President of the Republic Col 'Ali 'Abdallah Salih on the occasion of the 21st anniversary of the revolution of 26 September 1962. The station is expected to be completed during this year, 1983. The project's costs have reached 724 million riyals, including training, operation and maintenance for 3 years, as well as consultant fees and equipment costs. Among the project's most important financiers have been the Yemeni government, the Arab funds and the government of Japan.

12224

CSO: 4404/129

BRIEFS

PETROLEUM TRANSPORT AGREEMENTS--Yesterday, in the building of the General Organization for Petroleum and Mineral Resources, the tenders were opened for a project to store petroleum products and lay an oil pipeline between the port of al-Salif and the capital of Sanaa. The pipeline will pass through storage centers set along the route in the village of Turbat al-Dahi in the governorate of al-Hudaydah, in the Ma'bar region in the governorate of Dhamar, and in the capital of Sanaa. The project also provides for the construction of main storage tanks in the port of al-Salif which will have a capacity of 250,000 tons, in addition to a wharf and underwater pipelines for servicing the giant oil tankers, which can carry 60,000 tons. This project will meet the republic's needs for oil products in an orderly manner and at a reasonable cost, since the cost of transporting petroleum products will be held down, while transporting petroleum products will be held down, while transportation will proceed directly to the main storage centers through the pipes. The opening of the tenders was attended by Brother 'Ali 'Abd-al-Rahman al-Bahr, the minister of state, head of the General Organization for Petroleum and Mineral Wealth, and member of the permanent committee, and by Brother Fathi Salim, the head of the Central Planning Organization, as well as representatives of the international companies which won the bidding. These companies, 8 in number, were chosen from among a total of 86 international companies. [Text] [Sanaa AL-THAWRAH in Arabic 17 Oct 83 p 2] 12224

CSO: 4404/129

AFGHANISTAN SAID TO BE 'KEEPING PACE' WITH ANDROPOV

Paris LE FIGARO in French 31 Oct 83 p 6

[Article by Emmanuel Braquet]

[Text] Emmanuel Braquet, the film-maker for "World Knowledge," has returned from a new visit to Afghanistan. Since his reportage last year, published in our 4 September 1982 issue, much has changed, coinciding with the coming to power of Yuriy Andropov. Emmanuel Braquet gives us his impressions, and reveals the new facts about this war, in which the psychological action is today proving as important and more dangerous than the military offensive.

The man addressing his troops is stocky, sturdily built. In a voice that is calm, without emotion, he tells them:

"You are fighting for Afghanistan; for your homes, for Islam, our religion, our faith. We are waging a holy war against the Shuravis (the Russians). Those who die tonight will be Shahids (martyrs). They will enter Allah's paradise...Allah Akbar!"

Some hundred Mujahidin repeat in unison the end of Sheikh Mulavi's exhortation before proceeding in single file under an awning held up by two fighters under which is placed the Koran. The column disappears into the darkness in the direction of the airport of Jalalabad, capital of Nangahar province, one of the key positions controlled by the Soviets on the road linking Kabul with the Pakistan border. The resistance members remain the undisputed masters of this kingdom of shadows. Night, synonymous with total freedom, is their accomplice, their ally. No longer any need to lay low in caves, or conceal oneself under trees. At night, the Afghans regain their pride. Enclosed in their blockhouses, behind their fortifications, the barbed wire, and the watchtowers, and despite an impressive firepower, devastating in its blindness, the invaders become the besieged as soon as the red ball of the sun goes down over the horizon of the immense bowl in which the large city lies.

From the surroundings of the airport, the night anguish the Soviets feel is perceptible, as if this fear produced a stinking sweat whose smell reached even to us, crouching in ditches less than a kilometer from the runways, waiting for the fighting to start. Once again, the 11,000 Soviet soldiers--including an elite division of paratroops--failed to prevent a hundred Mujahidin from interrupting their tension by penetrating into the airport itself, blowing up two helicopters and an ammunition dump, and killing eight soldiers. A rapid blow, with no mistakes, and without a single wounded

despite the spotter helicopters constantly circling overhead without lights, adding a further element to the tension. They harassed us on the return trip, firing their rockets and grenades at random on the groups of fighters, who made their way back to their hideouts by various routes in a few hours.

"Yes, we caused them some damage," Sheikh Mulavi said to me on the day following the raid, "but what does that mean to them, this equipment destroyed, these soldiers killed? Also, this time we were lucky; we did not suffer any losses...but it took us 10 days to prepare that attack, to alert the various groups, assemble the commanders, and bring the necessary supplies. All that for a tiny pinprick on their thick skin. They have already replaced the equipment and the men. They have the technical and industrial capabilities, and the military potential. Anyway, they don't place much value on the life of their soldiers. Two months ago, during an ambush in Wardak province, they purposely bombed their own convoy in a desperate situation to avoid having the weapons fall into our hands intact..."

Tomorrow Our Enemy Will Be Yours

Last year, no leader spoke to me in such sceptical terms. Today, a number of leaders seem to have doubts. Awareness of their international isolation, their exposure on the ground, and the lack of help by the Western countries and their lack of political will to counter the Russians by providing the means to the resistance to fight effectively.

Commander Abdallak threw these words in my face: "Europe's freedom starts here." He is responsible for the Kabul area, one of the young leaders who, along with Zabibollah of Mazari Sharif, Amin of Wardak, Massoud of Panjshir., and a few others, constitute the new leadership of the resistance, replacing the clan chiefs and the traditional mullahs...

"The enemy that we are fighting in the name of our dignity, of our beliefs, might be the enemy that you will have to fight tomorrow. Yet how will you be able to muster the necessary resources to struggle if already you are incapable of helping us, out of fear of offending the Soviets' sensibilities? Do you know that in a neighboring province the resistance leader has only two antitank grenades to face the "shuravis" if they stage an offensive? That to prepare for an attack we always have to communicate among group leaders by notes, and that for lack of walky talkys we lose many men through lack of coordination of our movements on the ground... A few weeks ago, for this reason, out of 16 resistance fighters carrying out an ambush on the Fhazni road, nine were killed... I went to Europe, to France. I even met with one of your president's advisers, Regis Debray... He told me that our struggle didn't interest him, that he had other worries... If I had been Marxist, he would have talked differently..."

"You know what Lenin wrote: 'The Capitalists are so stupid that we will even succeed in selling them the rope that will hang them.' Well, if they succeed in crushing us because of your spinelessness, they will be putting that rope around your neck soon..."

Cautious Game

Everything changed after Brezhnev's death and the appearance of Yuriy Andropov, the former KGB chief, expert in manipulation, and master of

disinformation. For the past year, like master chess players, the Russians have been advancing their pawns cautiously, slowly, because they know that time is on their side, not hesitating to move these pawns back or sacrifice them, or replace them, depending on the circumstances. Andropov immediately gave the impression that he favored a negotiated solution, thus gaining a degree of credit among Western leaders, enabling them to go back to sleep in good conscience. Could one doubt the word of the new leader of the government of the Soviet Union? At the same time, various articles are praising the heroism of the Soviet fighters and recounting the tragic end of an officer who stood fast for several hours in face of a horde of "rebels" to enable his troops to get back to the fort. The officer died, pierced with bayonet wounds, but in a last effort he killed the leader of the "bandits"... Official recognition of a war previously denied. There is also emphasis on the sending of Afghan citizens and schoolchildren to the USSR to receive technical or ideological training and to constitute the future communist elite.

An adviser who is still in contact with families in Kabul told me: "I have known children who were 12 or 13 years old when the Russian invaded the country and who shouted 'Death to the Shuravis'... Today, they are 16 or 17 and have recently spent long periods in the USSR. The Crimea, the sea, evenings with young girls in the discotheques, and a light dose of propaganda thrown in... They have returned confused, almost converted..." More than 10,000 young Afghans have gone under these circumstances.

"Terrorists" and "Bandits"

Against a resistance that still has not succeeded, despite its efforts, in overcoming its internal divisions, all arguments are used to intensify the cleavages and ill-will among the various movements. In April, an amnesty decree signed by Babrak Karmal created a subtle distinction between "terrorists" and "bandits." The former can expect no leniency by the Kabul government, which refuses to pardon them. However, the latter will benefit. Included in this category of those who can be amnestied are the men of the "Hezb-e Eslami and the Jami'at-e Eslami," two very active movements that following this decree have been suspected, quite wrongly, of collaboration with the regime. However, only one commander--without his men--and one political leader with about a hundred followers heeded this siren song from Kabul.

Much more harmful was the 6-month cease-fire--broken on 20 August--proposed by the Soviets to their enemy number one, the famous commander Massoud. After having repelled six Soviet offensives that were as lethal to one side as the other, Massoud, the symbol of this people's struggle, the soul of the resistance, nicknamed the "lion of Panjshir," was in no condition to face a seventh offensive, a fact of which his adversary was not aware. The Panjshir valleys council gave him its approval and it was only on the strength of this agreement that he accepted what had been unthinkable 3 months before: giving de jure recognition to the Soviet presence by agreeing to negotiate with them. He said at the time: "It is a Shuravi trick. We should have no illusions."

Certainly this enabled him to rebuild the valley, to reestablish the depots of ammunition, arms, and food, but the Russians do not propose anything that will

not in the short term redound in their favor. They will make Massoud pay with certain humiliations, such as search of the convoys supplying their encircled base of Onawa. His temporary nonaggression pact, the simple fact of having undertaken direct negotiations with the occupying power--even though done at the latter's request--has affected his image and prompted some resistance political leaders, jealous of his influence, his international stature and his legend, to discredit him by portraying him as a quisling or the Marshal Petain of this war. The Russians took advantage by infiltrating into the valley numerous informers in service of the political police, the Khad, directly supervised by the KGB. Above all, however, the cease-fire has enabled the civilian population to enjoy the forgotten pleasures of peace. For 6 months not a bomb, no threatening sound of armored helicopters delivering their cargo of death of all varieties. No anguish of waking at dawn and wondering whether this evening the house will still be standing, the family together and everyone still alive. A medical team that returned from the area told me that in several valleys the civil population, while totally accepting of the resistance, was praying to Allah to prolong the cease-fire, even if it is a pax Sovietica. You need a long spoon to eat with the devil... Was Massoud's long enough?

These various destabilization efforts have thus far all failed, mainly because the strings were a bit too evident, and above all because the hate of the invader is too strong for them to so cheaply conciliate the Afghan people. However, the exhaustion of the rural people, who have not observed any progress in the process of liberating their country and who have been on the front line for 4 years suffering the reprisals and bombings because of their constant aid to the resistance, compels the latter to recognize the necessity for a change in tactics in a war in which one must always innovate to survive.

Col Ayub Assil, a former police official of the Karmal regime, told me: "We control the countryside. We have won the countryside; it is pointless, therefore, to further expose the peasants. We will carry the war to the cities, striking our enemy in the heart. We will involve the city dwellers, the bourgeois citizens who compromise to preserve their tranquillity... They have been spared... They are going to have to take part. We are very well established in Kabul... In June we blew up a grain silo. These are our primary targets: the radio and TV transmitters, the buildings where the Russians work, their hospitals, the electricity pylons. We gave them a preview at the beginning of August... Throughout the night our commandos attacked and bombarded the Balahissar fortress..."

Urban Guerrilla

I visited one of the training camps where Mujahidin selected for their aptitude for close combat receive intensive training. For the situation, the 50 or so commandos present had dressed in gray uniforms. Very proud of these new urban guerrilla units, a colonel who had deserted from the Afghan army, accompanied by his officers, introduced me to these recruits, who were lined up in perfect ranks. Combat course, crossing of burning obstacles, hand-to-hand struggle, making explosives with components of various sources, purchasable in all the bazaars... Caught short by the Russian psychological campaign, the resistance is raising the challenge. This concern for perfection reaches the ultimate in the display of the huge model of Kabul. Scores of men have already used it to study the thousand and one ways to thwart the vigilance of the Soviets in order to reach the airport, their primary target.

"We are calling on the Mujahidin to establish themselves in the towns with their families. A man alone is too easily identifiable; also, the women are a stabilizing factor for our men. We have discovered that it is in areas where resistance members are away from their families that the dissension among groups is the strongest... Then, it is necessary that each guerrilla find work. Nothing must distinguish him from the crowd. That takes time, but before long no Soviet or collaborator will feel secure. No Russian family, not even in their Microrayon city, will live in peace. They are going to learn about distress. The Afghan peasants search the sky; they will watch their shadow..."

But what do the Soviets really want? Some attitudes make one think that they would like to maintain their presence in Afghanistan for a long time. Yet, and they know it, they would have to send an expeditionary corps of 500,000 to 700,000 men to control this country. Maintain the status quo, from which they derive no benefit, while counting on a rapid collapse of the resistance? They themselves don't believe in this. Thus, one cannot exclude the possibility of a withdrawal. Never (just as with the United States during the last months of the South Vietnam war) has the bombing been as intense, the offensives as violent, as if the Soviet Union wanted to make the resistance understand that in case of failure to agree on a negotiated solution it was capable of achieving a power of destruction much higher than it had shown thus far...

"We were not invited to the recent negotiations among Iran, Pakistan and the Kabul regime," said Abdoul Saayef, leader of the "Islamic Alliance," which includes the main resistance movements. "And anyway, we would have refused... They are trying to convince international opinion that they are not the only ones involved in this issue and to confer legitimacy on the present regime in order to better isolate us... Nothing will be negotiated without our participation, and there is only one thing that we have to discuss with the Russians: to explain their withdrawal route! And resurrecting King Zaher Shah will not change our attitude..."

Chess with the King

In fact, beginning 3 months ago, Zaher Shah emerged from a long 10-year silence by granting numerous interviews with press representatives, making a tour of Western capitals, and behaving like a future head of state and no longer like a simple exiled leader.

Abdullah told me: "His emissaries twice met with Kremlin leaders. he is being pushed by his son-in-law, the very ambitious Gen Abdul Wali. We will never accept him. It is he, the king, who is responsible for this situation... It was he who enabled the Russians to establish themselves in Afghanistan, to build roads and airports; it was he who sent students to Soviet universities, he who promoted trade. It was he who entrusted the equipping and training of our army to the Russians; he who gave permission for the Afghan Communist Party and imprisoned those who spoke out against the dangers of such a rapprochement between the atheists and Islam..."

"False," responds Eshaq Gilani, leader of the monarchic movement. "The king is emerging from his silence to make himself available to his people, to be the catalyst of this resistance with its many divisions, to enable it to unite around his person, so that he can bring to it his experience and international dimension... We need someone who can speak in the name of everyone and who is known and respected; who, other than the king, can play this role?"

It is a disturbing coincidence this sudden reappearance on the scene by the former sovereign. Whether or not he is being remote-controlled by Moscow, he is playing the Soviets' game by threatening the balance in relations between the "pro-Islamic" and "pro-monarchy" elements in the resistance.

The Soviets cannot withdraw from the trap in which they are tangled; it follows from the prestige and credibility of the Kremlin leaders that they will not abandon, under the eyes of all their proteges and allies round the world, a regime entirely their creation that they support, and that would collapse 24 hours after their departure.

However, the king of Afghanistan's return to power is the only political solution that would enable them to save face. This hypothesis should not be ruled out... Here is a man whom they know well, with whom they maintained very good relations over many years, and who favored their establishment on Afghan territory... It would be a lesser evil, and guarantee the presence on their border of a government friendly to them and not a pure and strict Islamic republic... In their history the Afghans have known nothing different than the monarchic principle. The moment the monarchy was eliminated all their troubles began. Since Daoud's eviction of King Zaher, since the establishment of the republic, they have had civil war, foreign occupation, arbitrary rule... They have lived through massacres, repression, and exodus. Orphans of the monarchy, they have had to undergo in 10 years all the torments from which the monarchy had saved them... In the spirit of this people, monarchy is synonymous with peace. It is obvious that if the king's return coincided with withdrawal of the Soviet troops and the reappearance of freedoms and peace, the majority of the peasants and townspeople would accept Mohammad Zaher with immense relief, relegating ungratefully to the crannies of their history all those resistance figures who might oppose this solution but who had been unable by their courage and fighting ability to bring about what an old man in exile now offered as a reunion gift: peace.

The chess game continues. One key piece is being moved extremely slowly by the Soviets. In the meanwhile, children, women and men die every day in Afghanistan, innocent victims of this mania that brings the Soviets to the chess game.

Whenever there is new talk about a change of government in Kabul, those likely to pay the cost should have few illusions about the fate that will be reserved for them. After Taraki, after Hafizullah Amin, will Babrak Karmal be the next victim--this time not innocent--of these protecting powers, who sometimes have the tendency, like Cronos, to feed on the flesh of their own progeny?

9920

CSO: 4619/3

PAPER REPORTS GANDHI SPEECHES IN CHANDIGARH

New Delhi PATRIOT in English 30 Oct 83 pp 1, 7

[Text] Chandigarh, Oct 29--Prime Minister Indira Gandhi today offered to place afresh before a tribunal the entire gamut of territorial issues, including Chandigarh, for adjudication if the concerned quarters agreed to accept the verdict.

Mrs Gandhi, however, ruled out the possibility of any isolated decision on any one of the involved issues, including the transfer of Chandigarh to Punjab. She said there existed a verdict that Chandigarh should be given to Punjab and Adohar and Fazilka to Haryana. If someone wanted the issue of Abohar and Fazilka to be put in the scales once again how could anyone take Chandigarh out from the other scale, she asked.

Mrs Gandhi also ruled out the possibility of tripartite talks to seek an acceptable solution to the situation in Punjab.

Mrs Gandhi was addressing a meeting of her party workers at the Institute of Engineers here on the last lap of her one-day visit. She later left for Delhi.

Mrs Gandhi said even if she would not blame the Akalis squarely for the present situation in Punjab they could not be absolved as only they had made the first beginning by embarking upon a morcha. If the things today had gone out of their hands they could not be absolved of the responsibility, she added.

According to the Prime Minister, she had cited the example of Assam and told the Akali leaders not to take to agitation because sooner or later it was bound to get out of their hands. Today the anti-social elements might be making hay while sun of terrorism was shining in this sensitive border State. She said the real danger was that some people were unable to see the dangerous consequences of such a situation on the borders of Punjab and the country as a whole. Such a realisation was the real need of the hour especially at a time when the countries around us were working against us.

The Prime Minister said terrorism was increasingly coming in vogue all over the world. But that did not mean that it should either be tolerated or propagated.

Mrs Gandhi said besides political differences on different issues, the terrorist violence, selected killings in the name of religion, caste or language and agitations on provincialism were the new factors that have aggravated the situation in Punjab. The situation today was a mixture of many things and a solution was not easy. There were reports that even Naxalites had jumped in to play their own card, she added.

The Prime Minister said there had been attempts to equate the Punjab word 'quom' with that of 'nation' in English even when for decades the 'quom' to us had meant community. She said people of different religions did not constitute a different nation. On the contrary, there could be many nationalities in one religion, she added.

Referring to the allegation of certain Governments in States of parties other than of the Congress-I that they were not being given adequate financial help, Mrs Gandhi said this change was being levelled only to dislodge her Government. The trouble was that the victory of the Congress-I in the last elections had still not been accepted, she added.

Mrs Gandhi ridiculed the allegation that the latest situation in Punjab was suiting her party.

Mrs Gandhi said she had met the Akali leaders and the Opposition leaders in this connection and could meet the Akalis again. But a change in the stands of the Akalis as well as the Opposition had definitely hampered an early negotiated settlement.

The Prime Minister criticised the Opposition for their negative role in solving the Punjab problem. She said they spoke in a different tone during the tripartite talks but adopted entirely a different posture during their parleys with the Akalis.

'I now feel that if the Opposition had not been associated with the talks over the Punjab problem, things would have been different and easier to resolve,' Mrs Gandhi said.

Referring to alleged misuse of religious places, Mrs Gandhi said if they felt that they were not responsible for the present violence in the State and somebody else was behind it then they should get the searches (of religious places) done by some other agency than the Government to remove confusion.

Earlier, Mrs Gandhi stressed the need for removal of 'artificial walls' of poverty, disparities and castes to make India a great nation as envisaged by Mr Jawaharlal Nehru and Mahatma Gandhi.

Mrs Gandhi was speaking at an impressive function of the Nehru Study centre of Tagore theatre here.

She said Mr Nehru's main concern was secularism and equality for all irrespective of caste, creed or religion. Accordingly these very basics were enshrined in the country's Constitution to afford equal opportunities to all.

She asked the youth and students to contribute in a 'firm manner' in the development and progress of the country.

Inaugurating the silver jubilee celebrations of the DAV College, Mrs Gandhi said that active involvement of the youth in various programmes would help the country move ahead much faster.

The Prime Minister said the Government was considering special measures for improvement of educational standards in the country.

Urging social organisations like the DAV to help the authorities improve educational standards, Mrs Gandhi said that higher education should be made available to all sections of the society.

Expressing concern over large number of women in the country being illiterate, Mrs Gandhi said that this hampered the pace of progress.

She said that illiteracy among women also affected family upliftment. 'Do not think that literacy alone is a measure of country's development but low level of literacy does hamper progress,' she added.

Romas Hailed

At the inauguration of the Second International Roma Festival, Mrs Gandhi said that people of India were proud of their great and unbroken cultural traditions. 'But can it now withstand the tremendous onslaught from all sides,' she asked and added that the same question was faced by Roma and many other communities in the world.

Welcoming Roma artistes and delegates from all over the world, Mrs Gandhi said she felt a kinship with the Roma people as they belong to ancient India.

She said there were about 15 million Roma people all over the world and their life chapter had been that of sorrow, suffering and hardship. But at the same time it was also a story of triumph of human spirit over adversity in the face of persecution spread over thousands of years. Their suffering and genocide at the hands of Hitler was unforgettable and it was their sheer courage and determination which had saw them through the holocaust.

The Prime Minister said that the same qualities were associated with India which was the ancestral home of Romas. The Romas retained their culture magnificently and had remarkably integrated into the people of countries where they now live. 'Their community is international community in the true sense,' she said.

The Prime Minister said that the Romas were called by different names in different countries and were ideally suited to bring about international understanding and world peace.

Mrs Gandhi referred to the multi-lingual Roma dictionary and said it had enabled their language and culture to reach the other communities. She said it was appropriate that the festival was being held in this part of the country because of the close affinity of Romas with Punjab.

Besides Lok Sabha Speaker Balram Jakhar, Mr Rajiv Gandhi, MP, Governors of Haryana and Punjab, Mr G.D. Tapase and Mr B.D. Pande respectively, Haryana Chief Minister of Punjab Darbara Singh, Union Law Minister Jaganath Kaushal Union Minister of Sports and Parliamentary Affairs Buta Singh, Chief Commissioner K. Banerji, eminent educationists and prominent citizens were present on the occasion.

CSO: 4600/1225

PAPER REPORTS GANDHI SPEECH TO INTELLECTUALS

New Delhi PATRIOT in English 8 Nov 83 p 1

[Text] Prime Minister Indira Gandhi on Monday refuted the charge that India was interfering in the internal affairs of neighbouring countries adding that whenever we find something wrong somewhere we do speak out our mind.

Inaugurating the conference of intellectuals in the Capital, Mrs Gandhi was apparently referring to accusations levelled by Pakistan President Zia-ul-Haq and Foreign Minister Sahibzada Yakub Khan.

Nobody accused India of interfering in South Africa's affairs when it extended support to freedom fighter Nelson Mandela but when it spoke about Khan Abdul Ghaffar Khan's arrest, it was dubbed as 'interference,' she said.

Mrs Gandhi exhorted the intellectuals to raise their voices against the artificial barriers sought to be created in the name of region, language, caste and religion.

These attempts, she said, were being made by certain vested interests having 'motives for short term gains' in their minds.

The only way to put an end to this trend was to educate the people and intellectuals could play a vital role in this regard.

She admitted that one of the mistakes committed after independence was to keep the education system and the administrative set up unchanged and now it was too late to change it. However, efforts had been made to bring about certain reforms in the administrative machinery.

Mrs Gandhi said it was also a mistake not to have taught the younger generation the history of the country's freedom struggle.

Now that some glimpses of the freedom struggle have come before the world through the film 'Gandhi' though it contained certain factual errors, a concerned assault has been launched by the western world against the character of Mahatma Gandhi, his philosophy and ideology and the Indian values which he cherished and propagated.

Anything which projected India as a great country was not to the liking of the western world because none would like to see India as a 'strong and powerful nation,' said Mrs Gandhi.

The immediate threat to the country was not of 'guns and weapons' but it was nevertheless facing an onslaught of foreign ideas, ideologies and cultural traditions.

She expressed her concern over the extremist and Naxalite ideologies influencing the young minds and pointed out most of the Naxalites were the children of those who had become suddenly rich after Independence.

In his keynote address noted Sanskrit scholar Acharya Pattabhram Shastri said those people who do not comprehend the depth of religion and its relationship with the spirit of national consciousness have started attaching importance to its ritualistic and communal aspects.

The Acharya said truth, compassion, austerity and purity have been described as four tenets of dharma and whenever these are attacked in the name of 'dharma' it becomes the duty of the intellectuals and patriots to voice their concern about it.

Among others who also spoke on occasion were Dr Ram Kumar Varma, Dr Gopal Singh, Prof M.V. Mathur, Prof Khawaja Ahmed Farooqui and Prof Govardhan Sharma.

CSO: 4600/1248

PAPER INTERVIEWS KISSINGER ON INDO-U.S. RELATIONS

Bombay THE TIMES OF INDIA in English 31 Oct 83 pp 1, 9

[Article by Harvey Stockwin]

[Text] Hong Kong, October 30--The former U.S. Secretary of state, Dr Henry Kissinger, would like to see an end to mutual "nagging" over "surface irritations" in Indo-American relations and would greatly welcome a fundamental wide-ranging dialogue between Delhi and Washington.

This view, which emerged in response to a question from "The Times of India" came as Dr Kissinger paid a visit to Hong Kong mainly to give the keynote address at a two-day conference on regional issues.

During that address Dr Kissinger noted the difficulty for post-colonial societies in marrying a considerable degree of diversity with a substantive degree of democracy. He particularly made this point in answer to a question about the current turmoil in Pakistan.

'Moral Judge'

Dr Kissinger in the speech also quoted an Indian friend as telling him that "you Americans are wrong to think that Mrs Indira Gandhi is pro-Soviet--she is just anti-American."

"I do not necessarily think that judgment is right," Dr Kissinger said, "but the point is that that kind of distinction has tended to elude U.S. leaders." Dr Kissinger also noted the perception in the U.S. that India was wanting to be a "moral judge." He wryly added that "the U.S. would like to have that role, too."

Dr Kissinger also noted that while U.S. leaders over the last few decades had understood that it was an American interest for the integrity of the sub-continent to be sustained against the intrusions of outside powers, the passionate divisions within the sub-continent were less well appreciated.

"To many in India," he said, "the existence of Pakistan has been a threat" especially to the concept of a secular state. "(The U.S. policy of) arming Pakistan against outside incursions has naturally been given an entirely different interpretation in India."

But Dr Kissinger's most interesting remarks vis-a-vis India came when this correspondent pointed out that a substantive degree of practising democracy in India was accompanied by an enormous degree of diversity. Shouldn't this achievement give the U.S. a greater interest in developing ties with India? Why was it that the U.S. had not appeared over the years to identify the success of democracy in India as a vital U.S. interest?

Dr Kissinger's answer is worth quoting in full: "First of all, I agree with your premise. I agree that India as a practising democracy and as a great experiment in pluralism should have American support and encouragement and that, despite all the irritating difficulties we have had with India, its success remains a very important American interest.

"Whether that interest has been fully expressed in (U.S.) government actions it is not easy to say and it is even harder to say whose fault it has been.

"There was a period, if you go back to the early sixties, in which the American love affair with India may have put much too great a strain on what India could possibly be asked to deliver. Then there was the period in which our national interest, at least in the short term, seemed to conflict in the early seventies. Because of the importance we attached to our opening to China and to Pakistan's role in that.

"But if we look at the historical phenomenon, yes, I would say that we have a vital interest in the success of India and I would greatly welcome as between India and the United States, the same kind of fundamental dialogue that I have proposed between Japan and the United States.

"(Indo-American relations) have floundered up to now on the personalities involved, but I think it would be a highly desirable objective that instead of nagging at each other on surface irritations, we attempt a fundamental dialogue on what can be done to bring about the objective of a growing, independent, pluralistic and democratic India--I mean what the U.S. could contribute (towards that objective). I would favour that."

The response is interesting in that Dr Kissinger admitted the central role of the China opening in inducing Indo-American tensions, an admittance only implied in his memoirs. Indian sources here also note Dr Kissinger's mention of the role of personalities in the relationship, an obvious example of which was the personal tension between Mrs Indira Gandhi and the former U.S. President, Mr Richard Nixon. Well-informed sources aver that this tension is absent in personal encounters between Mrs Gandhi and President Reagan.

In his speech at the conference, Dr Kissinger had pointed to the ways in which, by taking a piecemeal, issue-by-issue approach to trade and economic disagreements with Japan, the U.S. had failed to rectify some of the underlying ills in the relationship and may well have made matters worse. Dr Kissinger significantly came out strongly against U.S. pressure on Japan to do more in the defence field, noting, among other things, that this could be injurious to Japanese political stability.

He defined fundamental dialogue with Japan in terms of a comprehensive negotiation on what the U.S. and Japan could do together in terms of a ten to 15 year vision of what needed to be achieved. This is what he said under prodding from this correspondent, that he would now like to see with India, too.

CSO: 4600/1226

DELHI POLICY TOWARD WEST EUROPE, FRG DISCUSSED

Madras THE HINDU in English 30 Oct 83 p 2

[Article by G.K. Reddy]

[Text] An important visitor to India in early November will be the Chancellor of the Federal Republic of Germany, Mr Helmut Kohl, a prominent political personality in Western Europe. He is making an overnight stop in Delhi on his way back from Indonesia for an exchange of views with the Prime Minister, Mrs Gandhi, on the current international situation, which will naturally include both east-west and north-south relations. The Chancellor's staff have tried to pack with Tuetonic thoroughness as many engagements as possible to put to maximum use the minimum time available during what is essentially a transit visit.

The Chancellor will arrive in Delhi from Jakarta at 10-40 p.m. on November 5 for overnight stay and start his busy schedule the next morning with the courtesy call on the President, Mr Zail Singh, followed by official talks with the Prime Minister before addressing a press conference. He will have a second meeting with Mrs Gandhi at a working lunch hosted by her, prior to his departure for Bonn at 2.30 p.m. As he will be meeting her for the first time, Mr Kohl wants to spend as much time as possible talking to her on various issues during the brief stay in Delhi.

Significant Feature

Indo-German relations have been excellent during the last 35 years since India became free and West Germany too, regained its independence. A significant feature of this relationship has been its steady expansion, with no sharp divergences despite the differing perceptions of the two countries on many global issues. The Indian and German leaderships have been respecting each other's views and trying to understand their compulsions even when they do not agree with one another's approaches to some international problems. The relationship has been singularly free from any recurring irritation in the wake of policy differences, since the two countries have had no conflicts of interest.

But it is rather strange that, for one reason or the other, more through a combination of unavoidable circumstances than any deliberate design on either side, the heads of Government of the two countries have not been meeting as often as they should to keep up this friendship at the highest level.

As Prime Minister, Nehru paid two official visits to West Germany, in 1956 and 1960, Mrs Gandhi in 1971 and Mr Morarji Desai in 1978. The only German Chancellor who visited India was Kiesinger in 1968 during his brief interregnum. Neither Adenauer, Erhard, Brandt nor Schmidt has been able to return the visits, although the relationship between India and West Germany did not suffer on this account. The German Presidents, Lübke and Carstens, have paid State visits, but no Indian President has been to West Germany. Dr Radhakrishnan visited the Federal Republic twice, but as Vice President on both occasions. At the level of Foreign Ministers and other Ministers, however, there have been frequent exchanges of visit.

Mr Kohl is now stopping over in Delhi as Federal Chancellor 15 years after Kiesinger's visit. The transit halt for less than a day is primarily intended to meet the protocol requirement of a return visit before Mrs Gandhi can accept the West German invitation to inaugurate the Leipzig industrial fair next June when India will be the principal guest nation.

As a special gesture, Mr Kohl intended to go to the Alpbach in Austria last summer to meet Mrs Gandhi during the India-West Europe symposium, but as it so happened he had to host in Stuttgart the heads of Government meeting of the European Community on the same dates. The Prime Minister was keen on Mr Kohl's participation in the recent summit level consultations at the United Nations, but West Germany decided to keep out of the dialogue along with Britain and the United States.

What is really important is that the absence of these high level personal contacts has not in any way hampered the growth of Indo-German relations in many spheres. On the contrary, the two countries have been able to establish closer political understanding, besides expanding their economic and cultural relations. One of the major foreign policy pursuits of India has been to develop and consolidate its politico-economic links with Western Europe to enhance its own flexibility in dealing with the two super powers, the U.S. and the Soviet Union.

Ties with Soviet Union

The basic Indian approach has been to preserve its special relationship with Moscow which has served the country well in the past, but not become too dependent on the Soviet Union. The attempt to develop a countervailing relationship with the U.S. called for an unfailing capacity to use its close contacts with the West European countries as a contributory factor to a better working relationship with Washington. The Indian policy-makers continue to regard Western Europe as a separate political and economic entity despite its security alliance with the U.S. which does not come in the way of the EEC pursuing independent policies in normal times.

In recent years India has been making a concerted effort to strengthen its links with the countries of Western Europe, particularly Britain, France and West Germany, because EEC has emerged as a third super power system functioning as a useful buffer between Moscow and Washington. In the case

of Britain and France, economic factors play an increasing role in conditioning Indian reflexes and influencing its attitudes. The establishment of a still closer equation with West Germany has become even more important in India's visualisation of the global power factors because Bonn's pivotal position in Europe.

It is against this background that Mr Kohl's 16-hour stop-over in Delhi has come to assume special importance, since India considers it both possible and desirable to develop a better rapport with Bonn for increasing its manoeuvrability in its dealings with not only other European countries but also the United States.

Centuries Old

In the cultural sphere, Indo-German relations can be traced back to five centuries, when German intellectuals from Max Mueller and Goethe, Hegel and Heine, to Schlegel and Schopenhauer took great interest in Indian philosophy, literature and religion. A German translation of Indian fairy tales was published as far back as the 15th century while the quatrian on Kalidas' Shakuntala by Goethe in 1791 helped to crystallise German interest in India into an academic discipline.

The well-known indologist, Max Mueller later translated the Rig Veda into German, while the law of Manu appeared in German much earlier at the end of the 18th century. His interest was not confined to ancient India, since he wrote a lot about modern India, criticising many aspects of British rule. Among his famous works were the translation of Hitopadesa into German and also a history of Sanskrit literature. In more modern times the writings of Rabindranath Tagore like Gitanjali and the philosophical discussions of Dr Radhakrishnan attracted a lot of attention among contemporary German intellectuals, before German scholarships suffered a setback during Nazi time.

Anti-Nazi Feelings

Indian admiration for Germany did not inhibit leaders like Gandhiji and Nehru from strongly opposing Nazism and denouncing Hitler's aggression. The vicarious satisfaction of the Indian public over the discomfiture of British imperialism during the early years of World War II was misinterpreted by some critics as implying a sneaking approbation of Hitlerism despite pretensions of detestation of Fascism. The Nazi attack on the Soviet Union certainly helped to create a better awareness of the evils of Hitlerism, and the holocaust that followed for exterminating millions of Jews and the horrors that the invading armies inflicted on the occupied countries of Europe focussed attention on the macabre aspects of Nazism.

At the end of the war, when a defeated and decimated Germany lay prostrate, India did not gloat either over its humiliation. On the contrary, it was India that became the first country to formally end the state of war with Germany on January 1, 1951, within hours of the termination of the occupation rule by Britain, France and the United States. The first Indian

envoy to the four-power military government in Berlin, Major-General Khub Chand was later concurrently accredited to the three-power allied regime that was operating from outside Bonn as a prelude to the merger of the British, French and American occupation zones and subsequent establishment of the Federal Republic of Germany, leaving the Soviet sector to be carved into a separate East German State.

A grateful Adenauer, the first Chancellor, developed a warm and lasting friendship with Nehru which set the tone for the steady growth of Indo-German relations. The changes of Government in Bonn made no difference to this basic relationship which acquired greater depth and dimension during the years of Brandt and Schmidt, and the present government headed by Mr Kohl has been no less interested in the development of bilateral relations. But at the same time, India did not allow itself to be bullied under the so-called Hallstein Doctrine into not developing a parallel relationship with the other German State. Though it took a long time to establish full diplomatic relations by elevating the level of representation to Ambassadors, India was among the first to have recognised the German Democratic Republic.

The cultural links of the past and the mutually beneficial political attitudes of the present helped to provide an enduring basis for the intensification of Indo-German economic relations. The trade volume has nearly doubled in the last five or six years pushing up the figure to Rs 1,400 crores (DM3.5 billions) but it is heavily tilted in favour of Germany because of the inability of India to step up exports. As a large exporter of goods to India, Germany has a share of six percent of the total Indian imports, but India's own exports to Germany account for only a fraction of one percent of its global trade volume. A lot of attention is, therefore, being given these days with full German cooperation to redress this imbalance.

The real growth of Indo-German economic cooperation has been in the fields of technological assistance, industrial collaboration, agricultural development and educational and cultural exchanges. Apart from being the single largest recipient of West German foreign aid in various forms to the tune of nearly Rs 2,400 crores (DM 6 billions), India has received generous help in setting up the Indian Institute of Technology in Madras, building the Rourkela steel plant and expanding the Bhadravati plant, establishing a petro-chemical unit, a tyre factory, expanding automobile industry, building a turbine plant, modernising railway transportation, assisting nuclear development, supplying a scientific ship for oceanic research, cooperating in space programmes, establishing a modern tool room and helping in agricultural and forest development.

Collaboration Deals

The flow of modern technology and latest industrial know-how has been channelled through collaboration agreements in many spheres. A total of 1,200 such accords have so far been signed by India with West Germany,

ranking next only to Britain with 1,500 and U.S. with 1,250 such agreements. But the vast potential of the Indian markets has yet to be fully exploited for intensifying this cooperation because of the vagaries of the policies of the Indian Government.

The tempo has nevertheless been kept up by West Germany over the years through an excellent diplomatic representation in Delhi. It has been served remarkably well by a succession of eminent Ambassadors, each excelling his predecessor in contribution. And by far the best one who has made an outstanding impact in Delhi is the present Ambassador, Dr Rolf Ramisch who is held in high esteem in Delhi.

CSO: 4600/1224

NEW AMBASSADOR TO USSR PRESENTS CREDENTIALS

New Delhi PATRIOT in English 2 Nov 83 p 7

[Text] Moscow, Nov 1 (UNI)--India's Ambassador to the Soviet Union S. Nurul Hasan presented his credentials in Kremlin today and conveyed good wishes of President Zail Singh and Prime Minister Indira Gandhi to leaders and people of the Soviet Union.

The credentials were received by the First Vice-President of the Soviet Union, Mr V. Kuznetsov on behalf of the Presidium of Soviet Parliament.

Mr Nurul Hasan referred to summit-level meetings between the leaders of the two countries and reiterated the importance India attached "to further strengthening our cooperation."

He said he had brought with him Mrs Gandhi's message of peace. He sought support from the Soviet people in establishing a new international economic order.

Reciprocating the sentiments expressed by the Indian Ambassador, Vice-President Kuznetsov assured him full Soviet support to all peace endeavors of India and complimented India's efforts to seek peace in the world.

Prof Hasan observed that Indo-Soviet ties have grown stronger and cooperation has increased in depth and ranges since Jawaharlal Nehru refused to subscribe to the cold war and established diplomatic relations between his provisional Government and the Soviet Union.

He said India as chairman of the Non-Aligned Movement (NAM) addressed itself with particular urgency to the objectives of ending the nuclear arms race, averting a global nuclear disaster, ending racial discrimination and oppression and establishing an equitable international economic order.

CSO: 4600/1235

INDIAN DELEGATE SPEAKS AT UNESCO CONFERENCE

New Delhi PATRIOT in English 2 Nov 83 p 3

[Text] Paris, Nov 1--India yesterday at the UNESCO General Conference here, condemned invasion of Grenada by outside forces and urged the immediate withdrawal of all foreign forces from Grenada as it can manage its own affairs in freedom.

Union Education Minister Sheila Kaul, addressing the conference, said India viewed with grave concern the recent events in Grenada.

The killing of Grenadan Prime Minister Maurice Bishop and several of his Cabinet colleagues has caused grief and dismay in India and other non-aligned countries she told the conference.

Mrs Kaul said India was looking forward to receiving Prime Minister Bishop at the Commonwealth heads of government conference in New Delhi this November.

She said the invasion of Grenada by outside forces had further aggravated the situation. It is consistent with laws of international behaviour. And no country has any right to impose a regime or system of government on another country, she said.

India, which spoke immediately after similar remarks on Grenada by Saint-Lucie, also referred to the persistence of racism and denial of freedom to the majority of people of South Africa and Namibia.

Describing racism as a crying shame for mankind, Mrs Kaul suggested that UNESCO should provide support for publications to make international public opinion more aware of the history of the national liberation movements and the nature of struggle against apartheid.

India also proposed enlarging the scope of UNESCO programme so that it would lead to the formation of a resource centre for education for international understanding.

CSO: 4600/1235

SISTER REPORTEDLY MEANS TROUBLE FOR KASHMIR LEADER

New Delhi PATRIOT in English 7 Nov 83 p 4

[Text] Srinagar, Nov 6--The dramatic emergence of Chief Minister Farooq Abdullah's elder sister Begum Khalidah Shah on active politics spells potential trouble for the former.

Apart from signifying a widening conflict within their family Begum Khalidah has categorically declared that she was "on the side of my husband" Ghulam Mohammad Shah and has strongly denounced her brother.

This development has also introduced a new element into the power struggle between the two estranged brothers-in-law.

Begum Khalidah, eldest daughter of the late Sheikh Abdullah, was known to have been very close to her father. She also enjoys considerable clout in the National Conference thus is in a better position than her husband to inflict serious damage on Farooq Abdullah.

In the present situation, Shah and his wife are pitted against Farooq Abdullah and his mother, Begum Abdullah.

The split in the ruling party seems inevitable though its timing hinges on variables like the outcome of the race for mobilising support of party legislators and the attitude of Congress-I.

Begum Khalidah Shah made her first political appearance in Jammu last week which was immediately followed by a widely publicised press interview indicating her intention to jump into the fray.

While sharply criticising her brother, she claimed that her husband had been "striving to uphold the ideals cherished by my father."

Although Begum Khalidah did not address the Jammu public meeting her presence itself conveyed her approval of what was said there by Mr Shah and former Finance Minister Devi Das Thakur. They claimed that Mr Abdullah had lost majority support in the ruling party.

This frontal attack was followed with an ultimatum seeking the convening of special session of the general council of the ruling party 'within three days.'

CSO: 4600/1246

ANALYST TELLS PURPOSE OF PARTHASARATHY MISSION

Madras THE HINDU in English 6 Nov 83 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Nov. 5.

The Prime Minister's special envoy to Sri Lanka, Mr. G. Parthasarathy, is leaving tomorrow for Colombo to resume his talks with the Sri Lanka President, Mr. J. R. Jayewardene, and his senior colleagues on the Tamil problem.

He is paying a brief visit to pick up the threads of the earlier dialogue, in pursuance of the Indian offer of good offices in settling this problem, before Mr. Jayewardene meets the Prime Minister, Mrs. Indira Gandhi, in Delhi later this month during the Commonwealth conference.

Mr. Parthasarathy is not going to Colombo with any proposals for resolving Sri Lanka's ethnic tangle, but only to carry forward the earlier discussions and create a proper climate for direct talks between Mr. Jayewardene and the top Tamil leaders for finding a mutually acceptable solution. His second visit to Colombo is taking place at a time, after an interval of nearly two months, when the tempers have cooled and the atmosphere is no longer charged with rampaging emotions.

Atmosphere still tense: But the atmosphere is still tense, since the crisis of confidence caused by the recent violence continues with the Sinhalese leaders imagining that the TULF is only playing for time to step up its campaign for a separate State, while the Tamil community remains deeply suspicious of the real intentions of the Jayewardene Government.

Mr. Parthasarathy will have to exercise the utmost caution in suggesting any particular course of action lest India's well-meaning offer of good offices should be misconstrued by either side as interference in the internal affairs of this neighbouring nation.

During his first visit, Mr. Parthasarathy had succeeded to some extent in dispelling fears of Indian intervention under the guise of lending a helping hand in bringing about a lasting political settlement. But the Sinhalese fear that any reasonable settlement leading to a due share of power to the Tamils is bound to erode their dominant position, although their overwhe-

lming majority would still ensure that they would continue to exercise a decisive voice even in a federal set-up with local autonomy for the Tamil minority in the Northern and Eastern districts.

Basic understanding: The focus of India's mediatory effort is, therefore, on creating first some degree of basic understanding between the leaders of the two communities about the concept of a lasting political settlement, before they can be brought round to discussing the constitutional provisions for meeting the legitimate demands of the Tamils within the framework of a single State.

It has succeeded to some extent in convincing the Sri Lanka Government that the Tamil extremists campaigning for a separate Eelam are not being encouraged and that, on the contrary, the moderate TULF leaders who will settle for some sort of local autonomy to safeguard the Tamil interests are being advised to seek a reasonable settlement.

Jayewardene has key role: Mr. Jayewardene, in his dual capacity as one of the top leaders of the Sinhalese majority and as head of Government, has a key role to play in utilising India's good offices for establishing some common ground between the two communities to begin the search for a just settlement.

He has to make a determined effort to restrain the hardliners in his own camp, as an essential prelude to any meaningful contacts with the Tamil leaders, for starting the negotiations on a hopeful note in an atmosphere of mutual accommodation.

The Chinese Vice Foreign Minister, Mr. Gong Dafei, who led his country's delegation to the latest Sino-Indian talks and stayed on in Delhi to preside over a meeting of the Chinese envoys in the region, is leaving for Madras tomorrow morning en route to Colombo, while Mr. Parthasarathy will be travelling via Bombay and reaching the Sri Lanka capital later the same afternoon. The U.S. President's special envoy, Mr. Vernon Walters, will be arriving in Colombo two days later on his way to Maldives for talks with Sri Lankan leaders on regional issues.

MEETING PLANS SUPPORT FOR ASSAM MOVEMENT

Calcutta THE STATESMAN in English 3 Nov 83 pp 1, 9

[Text] New Delhi, Nov 2--After a comparative lull, the Assam movement for detection and deportation of foreigners is going to be revived and this time projected as an all-India issue to be agitated through an all-India organization--the Chhatra-Yuva Sangharsha Vahini, which was founded by Jayaprakash Narayan in 1974 as part of his "total revolution" aim.

After a four-day conference of 26 national and State level students and youth organizations convened by the Vahini in New Delhi, its leader announced today that they had decided to come out in support of the Assam movement. They had set up a national coordination committee named the "Assam Andolan Samar-thak Rashtriya Chhatra-Yuva Samiti" and it was composed of 21 members. The convener of the committee is Mr Sushil Kumar of the Chhatra-Yuva Sangharsha Vahini. Representatives of the All-Assam Students' Union will be special invitees on the committee.

Mr Sushil Kumar told reporters today that the conference had also decided on a nationwide programme to propagate the cause of the Assam movement. On February 14, the day an "undemocratic and unconstitutional election was held in Assam," all student and youth organizations would demonstrate before the Governors of their respective States and submit memorandums to them and to the President of India to dissolve the "anti-people, unconstitutional and unrepresentative Assembly of Assam."

In three or four months, a bigger more broadbased and permanent all-India committee of students, youths and "activist groups" would be formed--in course of a series of conventions held throughout the country--to lend support to the Assam movement.

Mr Sushil Kumar said the four-day conference had sent an appeal to all Opposition parties, including the Left, to review their position vis-a-vis the Assam movement on the foreigners issue, which had become "a crucial national problem."

Seven top AASU leaders participated in the conference and secured its approval for a seven-point demand submitted to the Government. This was incorporated in a resolution adopted by the conference.

The seven-point charter said that foreign nationals must be detected and deported from the country and their names deleted from electoral rolls before holding any election in Assam. Inclusion of a foreign national's name in the electoral rolls in future must be made impossible with the help of a strong election machinery. The border of India with the neighbouring country must be protected to effectively check infiltration. Indian voters residing in Assam should be given identity cards with photographs affixed. Constitutional safeguards should be provided to the people of northeastern region for the next 15 to 20 years by making necessary constitutional provisions for the protection of the identity of the indigenous people in the region. The Government of Assam should be free to reject any certificate issued by the district authorities of West Bengal and Tripura, and the authority to grant citizenship certificate delegated to the State Government should be withdrawn by the Centre immediately.

Mr Prafulla Mohanta, president, Mr Bhrigu Phukan, general secretary and Mr Lalit Rajkhowa, adviser to AASU, said the Assam movement was still on and had not been withdrawn. It was going to be intensified and with the help of the All-India Students' and Youth organization, it would be turned into an all-India movement.

They said AASU would launch a "poster programme" in Assam in the next three days. On November 19 and 20, they would organize a national convention at Gauhati to which all Opposition parties, including the CPI and the CPI(M) would be invited.

Replying to a question on whether they were ready to resume tripartite talks on the issue of foreigners, they said they had an open mind on it.

They said they had no faith in the "foreigners tribunals" set up in Assam. The tribunals had been set up "in a conspiracy to regularize the claim of all foreigners to continue to live in Assam."

The AASU leaders said that a "region of terror" had been let loose on the students and people of Assam who supported the movement. More than 700 students were in jail without trial.

However, they had had talks with the Assam Cricket Association and had welcomed the holding of the scheduled one-day match between India and the West Indies in Gauhati.

CSO: 4600/1236

MINIMUM WAGES FOR CERTAIN WORKERS RAISED 11.6 PERCENT

New Delhi PATRIOT in English 7 Nov 83 p 1

[Text]

The Central Government, by a notification, has effected an upward revision of minimum wages for workers engaged in 29 mining agriculture, construction or maintenance of roads, building operations, stone-breaking and crushing sand, and construction and maintenance of runways, reports PTI.

The revision is to the extent of 11.6 per cent over the present rates of minimum wages in these employments for which the Central Government is the appropriate authority.

The revised rates of wages for unskilled, semi-skilled and skilled workers engaged in mining will be Rs 9.75 Rs 12.25 and Rs 15 per day for jobs on ground and Rs 11.75, Rs 14.75 and Rs 18 per day

for jobs below ground, respectively

Under the notification, the rates of daily wages in agriculture, building and construction employments will range between Rs 7.50 and Rs 11.25 for unskilled, Rs 9.50 and Rs 14 for semi-skilled Rs 12 and Rs 17.75 for skilled and Rs 15.25 and Rs 22.25 for highly skilled workers.

Employment covered by mines are gypsum, bauxite, manganese, China clay, kyanite copper clay, stone white clay, fire clay, ochre steatite asbestos, chromite, quartzite suartz, silica, mica magnesite, graphite, felspar, redoxide laterite dolomite, iron ore, granite wolfram and magnetite.

The minimum rates of wages for young persons below 18 years of age and disabled shall be 80 per

cent and 100 per cent, respectively of the rates payable to adult workers of the appropriate category.

The Centre has also added the employment in the marble and calcite mines to the schedule to the Minimum Wages Act.

In match and fireworks manufacturing, in Uttar Pradesh there had been revision in minimum wages in agriculture.

The Andhra Pradesh Government has revised the minimum wages in seven employments of khandsari factories, today including selling and conveyance, cinemas, hotels, restaurants or eating houses cotton carpet weaving establishments, automobile engineering workshops including service repairs and agriculture.

It has also notified proposals for

revision of minimum wages in the employments in metal foundaries and general engineering and rice, flour, and dal mills including roller flour mills and handloom weaving establishments.

Himachal Pradesh has proposals to add three employments of textile and hosiery industry, brick kiln industry and cloth and weaving industry to the schedule to the Minimum Wages Act.

The Orissa Government has revised the minimum wages in the employments of construction or maintenance of roads or building operations, stone breaking or stone crushing, construction or maintenance of dams embankments irrigation projects, sinking of wells

and tanks.

OFFICIAL TELLS AGENDA FOR DECEMBER AITUC CONGRESS

Calcutta THE STATESMAN in English 5 Nov 83 p 9

[Text] Bangalore, Nov 4--The 32nd session of the All India Trade Union Congress to be held in the historic Glass House of Lal Bagh here from December 15 to 20, has an omnibus agenda ranging from nuclear arms race to strengthening the working class movement.

Mr N.K. Krishnan, vice-president of the AITUC, told reporters yesterday that the session, the first to be held in Karnataka and after an interval of three years (the last session was held at Visakhapatnam), would discuss the Reagan Administration's policy of building up military bases in the Indian Ocean and also the "arming the Zia dictatorship of Pakistan" and surrounding India with hostile military regimes. It would also discuss the U.S. invasion of Grenada and seek to unite the workers against the danger of war.

The new peace initiative put forward by the Soviet Union and the necessity of strengthening Indo-Soviet friendship and cooperation would also be discussed. Besides discussing the "serious all-round crisis" of stagnation in production, rise in prices, inflation, unemployment, lock-outs, closures and retrenchment, Mr Krishnan said the session would discuss the "increasing attacks" on workers' wages, bonus and D.A. through "wage freeze and restraint and wholesale attack against trade union rights by a series of legislative measures."

Mr Krishnan who is also secretary of the national council of CPI, said these attacks were coming in a big way as a result of the economic policies of the Congress(I) Governments. He said that a majority of jute and textile mills in West Bengal and sugar factories in U.P. and Bihar had been locked out and the loss in production was colossal. The session would draw up a programme to resist these attacks.

Another subject for discussion would be the struggle against disruptive and communal forces. He accused the BJP of being in the forefront of the attempts to "incite communal riots and disrupt trade union unity."

CSO: 4600/1238

PRESS REPORTS INTERACTION BETWEEN REBEL GROUPS

Assamese, Naga Extremists

Bombay THE TIMES OF INDIA in English 4 Nov 83 p 7

[Text] Calcutta, November 3--Reports about some Assamese elements having established contact with the pro-China "national socialist council of Nagaland" in recent weeks seem to have added to the security forces' task in dealing with the problem of insurgency in general in the country's northeastern states like Nagaland, Manipur and Mizoram.

Informed sources here say that the political background of these elements are yet unknown. But a fair assumption is that they do not have any known association with AASU, spearheading the agitation in Assam against foreigners. The NSCN is pro-Beijing and has its headquarters in Burma, across the Nagaland border.

Some Assamese extremist elements are believed to have established contact with the NSCN headquarters. But it is not yet precisely known whether they have been able to obtain any assistance, in terms of resources, especially arms. But then it is admitted that this may be just a beginning which calls for greater vigilance in the North-East.

These sources also confirm having received reports about renewed Chinese interest in the rebel elements active in this area. That might be the Chinese desire, but there is no positive indication yet of such elements having received fresh supplies of arms or training from the Chinese directly.

Naga or Meithei rebels, on the other hand, are believed to be getting such assistance from one of the Burmese communist groups in north Burma.

However, the most encouraging development from the security forces' point of view has been a few recent incidents in Burma, in which some local Burmese villagers, exasperated by the Naga rebels' extortion, killed about ten NSCN activists and two others only last week.

If now the Burmese army operations against rebel groups are resumed in the post-monsoon months, their position might be undermined.

More Details, Army Presence

Calcutta THE STATESMAN in English 4 Nov 83 p 16

[Text] Sources in the Defence Ministry ruled out in Calcutta on Thursday the possibility of reducing the presence of the Army in north-east India in the near future, though they admitted that insurgent activities in the area were now in a low key. It was felt that the insurgents were maintaining a low profile because of the presence of the Army.

A major pull-out of troops would not take place till the different insurgent groups reached agreements with the Central Government, the sources said. Minor readjustment of troop strength, however, went on from time to time.

According to information reaching Calcutta, about 12 Naga rebels, belonging to the National Socialist Council of Nagaland who had taken shelter in Burma, were killed by Burmese people during the past one month. The Army felt that the Burmese people were angry because the Naga rebels had tried to forcibly extort money from them. Such incidents might demoralize the rebels, the sources said.

The sources added that Burmese security forces too had carried out operations against the Naga rebels camping in Burma before the monsoon and they might renew their drive soon. The Naga rebels tried to enter India from time to time to collect taxes from villagers in Nagaland. Recently, the Army apprehended about 30 Naga rebels trying to go out of India.

The Army had information that a group of Assam agitators were trying to get help from the Naga rebels, the sources said. A close watch was being kept over the situation because such a joining of forces might add a violent dimension to the Assam agitation. The sources, however, denied any report of formation of a joint command by the rebels in Nagaland and Manipur, as well as a report that the Naga rebels were once again getting active help from China.

The only Lhasa-trained leader of the People's Liberation Army of Manipur who was still at large was Mr Temba Singh. He was believed to have crossed over to Burma with about 40 followers. Groups of Mizo National Front activists, who had taken shelter in Bangladesh had made several unsuccessful attempts to cross over into India.

Asked about the present India-China border talks, the sources said the Army was of the view that it was important not to fall back from the present line of control and militarily it was important to hold the McMahon Line. The sources said the infiltration of people from Bangladesh into West Bengal did not pose any military threat.

Manipur, Assam Links

Calcutta THE STATESMAN in English 5 Nov 83 p 9

[Text] Shillong, Nov 4--The Assam police have uncovered an extremist organization comprising Mritires and Assamese in the Lanka-Hojai area of Nowgong district, and have seized arms and ammunition, besides incriminating documents revealing plans by the Kanglaipak Communist Party of Manipur to extend its secessionist activities to Assam and the organization's links.

A number of extremists were arrested in what is regarded as a sensational breakthrough with clinching evidence of new links between the Manipuri and Assamese extremists and their secessionist plans.

The Assam police acting on intelligence "of the KCP," caught K. Binoy Singh, who had escaped from Imphal jail after his capture by security forces.

Binoy Singh and his associates had their hideouts in the Lanka-Hojai area and developed functional links with the Assamese extremists. Binoy Singh, apparently, visited Gauhati. Following a "leka," the police raided their hideouts in the Hojai area in March this year and learnt of a new underground organization called the Assam People's Army, which is not to be confused with the shadowy Assam People's Liberation Army.

Binoy Singh escaped on that occasion but leaflets were seized proclaiming the intention to form a sovereign independent State whose territorial boundaries were not disclosed. Binoy Singh's plan to loot banks in the area was aborted by the raids.

Recently, raids by the CRP and the police in the Kaki area of Nowgong led to the arrest of a Manipuri teacher Binode Singh, and two Patars, and the seizure of arms and ammunition.

Following the unsuccessful attempts by PREPAK Manipuri leaders, including factional chiefs like Maipak, Sharma, to train young Assamese in the use of weapons in 1981-82, Binoy Singh's is the second major attempt to put Assam on the extremist map. It is fairly certain that Assamese extremists have been and are in touch with extremists elsewhere in the region, providing each other shelter.

CSO: 4600/1238

NEW HARYANA PARTY CHIEF HOLDS PRESS CONFERENCE

Calcutta THE STATESMAN in English 5 Nov 83 p 9

[Text] New Delhi, Nov 4--The newly-formed regional party, Haryana Desh Samaj, Hari Desam for short, today said that Chandigarh belonged to Haryana and not to Punjab, and demanded that the Centre transfer not only Chandigarh but also the Abohar and Fazilka tehsils of Ferozepur district in Punjab to Haryana.

At a Press conference today, the convenor of the Hari Desam party, Mr Dharampal Singh said that Haryana's case both in regard to the territorial and river-water claims made by the Akali Dal, had gone by default, because no political party in the State had the courage or standing among the people of the State to forcefully put forward its own demands.

According to Mr Dharampal Singh, the State Chief Minister, Mr Bhajan Lal had never come out in a convincing manner about Haryana's claim to Chandigarh.

Nor has the other Haryana leader, Mr Devi Lal, been able to put it across categorically that Chandigarh belonged to Haryana. As for the Bharatiya Janata Party and the Lok Dal, they are all-India parties and cannot afford to offend their Punjab State units.

However, the masses of Haryana and particularly its youth, Mr Dharampal Singh said, were annoyed that the State's interests were thus being neglected by the Opposition parties and the Congress(I) "which has mortgaged its thinking to its leadership." He controverted the oft-repeated assertion that Chandigarh was created for Punjab and should, therefore, go to Punjab.

The fact remained that Chandigarh was created for a composite Punjab which was divided into Punjab and Haryana in 1966. All assets of composite Punjab were divided in 60:40 proportion between Punjab and Haryana. In fact, even Himachal Pradesh got a share of Punjab when it was divided in 1966.

Secondly, Chandigarh as the capital was established in the Hindi-speaking area which was historically a part of Haryana. The Shah commission awarded Kharar tehsil, including Chandigarh, to Haryana. Thus Haryana had a greater claim to Chandigarh than Punjab.

With regard to Abohar-Fazilka, Mr Dharampal Singh said Sirsa district was transferred to Punjab along with other districts of Delhi division in 1858 from the then United Provinces, as a punishment by the British against those who had rebelled in 1857. In 1884 Sirsa was broken up and Fazilka tehsil along with 40 villages of Dabwali tehsil were merged with Ferozepur district. Further, in 1961, 40 villages of Dabwali, which connected Fazilka tehsil with the Sirsa area, were transferred to Muktsar tehsil of Ferozepur, which disturbed the continuity of the Haryana area. This was the reason why the Shah Commission had given Abohar and Fazilka to Haryana and accepted that the people inhabiting the Abohar-Fazilka area were Hindi-speaking.

As far as the share of river-waters is concerned, Mr Dharampal Singh said since according to old records Haryana had lost the bulk of its share from the Bhakra canal, it was entitled to a larger share of the Ravi and Beas waters.

CSO: 4600/1238

OPPOSITION MEETING PLANS MASS MOVEMENT AGAINST CENTER

Calcutta THE STATESMAN in English 5 Nov 83 p 1

[Text] New Delhi, Nov 4--Senior Opposition leaders who participated in the Vijayawada, Delhi and Srinagar conclaves, said here today that they would build up a mass movement at the national level against the Centre's failure to hold the price line and provide employment to the people.

At a meeting held at the initiative of the CPI(M) here, they set up a sub-committee to finalize the strategy of the movement. The CPI(M) general secretary, Mr E.M.S. Namboodiripad will be its convenor, and one nominee from each of the parties that attended the Srinagar conclave last month will be represented on the sub-committee.

Tentative List

Representatives of at least eight Opposition parties who met here drew up a tentative list of issues to be highlighted at the next conclave to be held in Calcutta.

Mr Namboodiripad told reporters that the increase in the price of essential commodities, unemployment, lock-outs, closures and failure of non-Congress (I) Governments were among the subjects that were discussed in the meeting.

He said the sub-committee would meet soon to finalize the list of subjects to be discussed in Calcutta, but during today's two-hour deliberations it was felt that there was need to launch a popular movement to pinpoint on the problems that were affecting the common masses.

Besides a steep increase in the prices of essential commodities what was worrying them most was mounting unemployment--particularly in the countryside, pushing down more and more people below starvation level--slowing down the food-for-work programme, and creating a political instability as a consequence. Besides there was a deterioration in the law and order as well.

Mr Namboodiripad said representatives from some parties, including the National Conference, DMK and the Telugu Desam were not present today. It was necessary to consult them before finalizing the issues.

He indicated that the Calcutta meeting, originally scheduled for the latter half of December, might now be held in the first week of January, in view of the fact that the Congress(I) had decided to hold its plenary session there in the end of December.

Those who attended today's meeting included Mr Chandra Shekhar (Janata), Mr Jagjivan Ram (Congress-J), Mr H.N. Bahuguna (DSP) Mr Chandrajit Yadav (Janayadi) Mr Chitta Basu (Forward Bloc), Mr N.K. Krishnan (CPI) and Mrs Ambika Soni (Congress-S).

The CPI(M) was represented by several Politburo members. They included Mr Jyoti Basu, Mr Harkishen Singh Surjeet and Mr P. Ramamurti.

Besides Mr Chandra Shekhar, several of his party colleagues, including Mr Biju Patnaik Mr George Fernandes and Mr Surendra Mohan attended the meeting.

A two-page note on the "price situation and joint campaign" prepared by the CPI(M) formed the basis of the discussions.

It wanted the Government to take over the wholesale trade of articles of mass consumption like foodgrains, cooking oil, sugar, salt, kerosene and cloth so that their supplies could be ensured at cheap rates.

Besides, it insisted on guaranteed remunerative prices for agricultural producers.

It was suggested that an all-India convention be held in Delhi sometime next month to mobilize the people. Cooperation of trade unions and other mass organizations, groups and individuals should be sought in this effort.

It said the movement should be so developed as could lead to an all-India action like bandh to focus attention on the failure of the Government on the price front.

CSO: 4600/1240

MANEKA FILES REPLY IN SANJAY WILL PROBATE CASE

Bombay THE TIMES OF INDIA in English 9 Nov 83 p 9

[Text] New Delhi, November 8 (PTI)--Delhi's sessions judge, Mr M.K. Chawla will frame issues on the petition by Mrs Maneka Gandhi and her son seeking probate of the estate of late Sanjay Gandhi on November 18.

Mrs Maneka Gandhi today filed her counter reply in court to the objection of Mrs Indira Gandhi on the grant of probate.

Mrs Maneka Gandhi sought dismissal of Mrs Gandhi's objections "as they have no force and are not maintainable."

Mrs Maneka Gandhi submitted that her mother-in-law had averred that she was not interested in acquiring any share of late Sanjay's estate for her own personal benefit or use. Mrs Indira Gandhi had averred that she intended to secure any share she received from the ultimate benefit of her grandson Feroz Varun Gandhi.

Mrs Maneka Gandhi pointed out that if Mrs Gandhi was "so concerned about the inheritance due to Feroz Varun Gandhi, she should first see to it that he receives his due share of the estate of the joint family."

Mrs Maneka Gandhi submitted that she was "profoundly sorry to point out that the grandmother of Feroz Varun has not helped the child in any way as yet and despite her considerable income she has failed to give anything to her grandson Feroz Varun Gandhi and instead has chosen to file frivolous objections in this court to delay the grant of the probate letter."

"No Locus Standi"

Mrs Maneka Gandhi said that Mrs Indira Gandhi "in fact is misusing her great power against the orphan child and his widowed mother by creating legal hurdles in their way of succession."

Mrs Indira Gandhi had no locus standi to file any objection in the grant of the probate letter since the marriage of late Sanjay and Mrs Maneka was "solemnised under provisions of the Special Marriage Act and the petition has been filed under the provision of section 278 of the Indian Succession Act."

Mrs Maneka Gandhi submitted that Mrs Indira Gandhi "is not entitled to any share in the property of late Sanjay Gandhi in the light of the provisions of the Indian Succession Act."

Visit Curtailed

On Mrs Gandhi's averment that Feroz Varun was not allowed to visit her since October 1982 except on March 13 this year, his birthday, Mrs Maneka Gandhi pointed out that the observation was irrelevant to the issue under consideration "succession to the estate of late Sanjay Gandhi" and its administration during the period of the child's minority.

Mrs Maneka Gandhi submitted that visits of Feroz Varun to his grandmother had "very regrettably" to be "restricted" because the child was being placed in "undesirable situations likely to cause him distress and trauma."

Mrs Maneka Gandhi submitted that Feroz Varun was being used only for "political publicity" by his grandmother and being made to "pose" before photographers and television crew.

"To her dismay and consternation," the child was being "exploited instead of loved," Mrs Maneka Gandhi submitted.

"No mother can acquiesce to such use of her child and as such these visits had to be restricted and curtailed."

Mrs Indira Gandhi who was administering the joint family property had not paid a single paisa for the education, maintenance and welfare of the little child, whose father's (bank) accounts had been frozen after his sudden and untimely death," though other grandchildren are getting all benefits out of the income of the joint undivided family property," Mrs Maneka Gandhi submitted.

CSO: 4600/1242

MUKHERJEE DEPLORES ATTITUDE OF DEVELOPED NATIONS

PTI Report on Calcutta Speech

Bombay THE TIMES OF INDIA in English 31 Oct 83 p 9

[Text] Calcutta, October 30 (PTI)--The Union Finance Minister, Mr Pranab Mukherjee today lashed out at the industrially developed countries and said they were not prepared to consider the need for making changes in their approach and policies for the benefit of the developing countries.

Inaugurating the Calcutta office of the Export-Import Bank of India (EXIM bank) here, Mr Mukherjee said ten to twelve industrialised countries could decide what would be the fate of the whole world economy.

No Breakthrough

Stating that the international environment was "not friendly and rather hostile," he said India would have to live with the situation for quite some time. The views expressed by some 100 nations, representing nearly three-fourths of the world population of the non-aligned countries which had the opportunity to review the relevance of the international financial organisations with a view to restructuring the post-world war economy, had not met with any progress.

In the last two to three years, starting from UNIDO conference in Delhi to the latest general session of the United Nations Organisation, Mr Mukherjee said serious efforts were made to make a breakthrough in order to initiate the process for strategy for the 80s with the object of reviewing the world economy. But they had not made much progress.

Exchange of minds and views were there and even the meeting of minds took place. But in concrete terms, it was a hard reality and the world trade remained stagnant for the last three years. Even in the days of worst depression in the early 30s, the world trade situation was not so bad as it was today, he said.

Referring to the current economic situation of oil exporting and importing countries, the finance minister said the advantage of the situation was being taken by the industrialised countries and they were not prepared to consider the need for making a change in their approach and policy.

Textile Exports

Referring to textiles exports, Mr Mukherjee said from 1976 onwards when the global negotiations had taken place, the developing countries had not been able to impress the need for restructuring the textile industry of the developed countries so that in an area where medium level technology was necessary and where many of the developing countries like India had developed competitive advantages, they could avail of that opportunity.

Nevertheless, he said, negotiations after negotiations had failed and "we have not been able to impress upon our counterparts, representing the developed countries, to understand the reality. It is true that restructuring of the textile industries in the developed countries would have led to the loss of jobs to a few hundred persons, but it is more than true that if we did not have access to the industrialised countries, few hundred thousand people would not have any opportunity of livelihood in a country like ours. This is the situation in which we are to live and we are to complete," he regretted.

Mr Mukherjee lauded the performance of the EXIM bank and said it had established its credibility with the exporters since it commenced functioning in 1982.

He said the need for augmenting export efforts was well known in view of the serious balance of payment problem which the country had been facing. From a small trade surplus of Rs 76 crores in 1976-77--for the first time in its history the country entered the phase where the trade gap increased to more than Rs 5,000 crores.

In one year the gap had even reached Rs 5,700 crores. Therefore, one need not emphasise the importance of serious efforts for increasing exports for earning foreign exchange, he added.

The finance minister said he entirely agreed with Mr Basu and the EXIM bank chairman, Mr R.C. Shah that there had been qualitative change in recent years in the country's exportable commodities. India was no longer basically an exporter of primary commodities as in the fifties and sixties. Nearly forty percent of the country's basket of export commodities was manufactured items. "Therefore, we shall have to work out a strategy in which we can augment our export effort," he pointed out.

Efforts To Raise Exports Urged

Calcutta THE STATESMAN in English 31 Oct 83 pp 1, 9

[Text] Mr Pranab Mukherjee, Union Finance Minister, said in Calcutta on Sunday that an all-out effort had to be made for stepping up exports when the country was facing a serious balance of payments problem and was beset by a soaring trade deficit. He felt that even in the face of keen competition Indian exporters could make headway if they were cautious of the quality of goods, could maintain the agreed time schedule, strike a balance

between the domestic requirement and export market and utilize properly the help offered to them by the Government.

Inaugurating the Calcutta office of the Export-Import Bank of India, the Minister expressed concern at the global economic condition as world trade had become stagnant for the past three years. "I don't think that the situation was as bad even during the depression in the '30s," he said. The reason, according to him, was that 10 to 12 industrial countries were now deciding the fate of the world economy and the stranglehold could not be loosened despite efforts by the developing countries.

In India, where a trade surplus of about Rs 76 crores was registered in 1976-77, the deficit in trade accounts had since gone unchecked, he said. The trade gap, which once soared to about Rs 5,700 crores, now stood at nearly Rs 5,000 crores. The current account deficit of the oil importing countries was increasing steadily. Even the oil exporting countries had been hit by recession as their current account surplus had been decreasing.

Mr Mukherjee said that though the country had achieved an export growth by 12 to 15% there was no cause for complacency, as it included crude oil which had to be exported because of lack of refinery facilities. It was true that the export of engineering products had gone up by about 8% during the past two decades, but one had to keep in mind that the export potentiality of these products had gone up by at least 15% during the same period. As a result, engineering goods, which once accounted for about one-third of the country's total exports, could now account for only 17% of the total. He felt that unless the obsolete engineering machinery was replaced by sophisticated machines and the industry was modernized, it would continue to suffer.

The two main complaints against the Indian exporters, according to the Finance Minister, concerned the quality of goods and time-schedule, which had tarnished their reputation and of the country. A number of the 100 joint ventures in Malaysia were on the verge of collapse because of incorrect feasibility reports and other factors. The project exports being undertaken by the Government and private contractors mainly in the Gulf countries had run into difficulties and accumulated losses. He felt that the exporters should properly assess a project before committing themselves. Instead of having exportable surplus, exporters should earmark certain parts of production for exports alone, which would then balance the internal and external markets.

The Minister corroborated the statement made earlier by Mr Jyoti Basu in his speech that only the first-rate technological import be made by the Indian entrepreneurs, but for which it would be difficult to stay in the competition. The free trade zone in Falta, he felt, had a great potential and would come to the help of the trade in eastern India. The Centre, he said, planned to set up three more trade zones in the country.

Welcoming the setting up of the bank's office in Calcutta, Mr Basu said that essential commodities should not be exported as it might trigger artificial scarcity in the country. Moreover, the international financial institutions should on no account be allowed to determine the goods to be exported. Too much dependence on exports was not a happy sign, he said. Radical economic measures needed to be taken to ameliorate the condition of the masses and to increase their purchasing power. He said that there should be a close and meaningful contact between Central and State Governments and the commercial banks which would strengthen the economy. Fruitful cooperation between the State Governments and the financial institutions was needed to increase the economic activities of the States and the region, he added.

In his welcome speech, Mr R.C. Shah, Chairman and Managing Director of the bank said that more trade freedom should be allowed to the exporters. "Can export efforts take off under a set of controls that operate almost equally on domestic production, sale as well as on exports?" he asked, and suggested the setting up of an expert group to study the controls that affect export growth. Globally, current constraints were not the paucity of buyers but the risk of repayment, he said. The Indian exporters, he felt, tended to rely on export incentives and subsidies for export profitability because of problems of production costs in India, availability of industrial infrastructure and inputs.

The bank, which has its headquarters in Bombay, will now operate two representative offices at New Delhi and Calcutta, while a third one would shortly be opened in Madras. The Calcutta office will, however, not be initially a full-fledged operating office. Loan processing and sanctioning will continue to be looked after at the Bombay headquarters. The Calcutta office will provide guidance in methods and procedures for availing of financial assistance from the bank and will interact with the exporting community in the east and other trade missions.

CSO: 4600/1226

JHAKAND PARTY LEADER SAYS OBJECTIVES JUSTIFIED

Calcutta THE STATESMAN in English 2 Nov 83 p 7

[Text.]

ROURKELA, Nov. 1.—Mr N. E. Horo, M.P., and president of the Jharkhand Party, told reporters here today that his party sought a separate State within the constitutional framework of India mainly for the socio-economic development of the tribals scattered in Bihar, West Bengal, Madhya Pradesh and Orissa.

He said the Centre had allowed the situation in Punjab and Assam to "drift". The Prime Minister has accused the Opposition parties of creating political instability in the country, and the Opposition parties, in their turn, accused the Prime Minister of politicizing the Punjab and Assam issues.

All such questions "are basically the problem of different nationalities", Mr Horo said. "The rulers of this country always have tried to suppress the aspirations of these nationalities. It is time the politicians and political parties of the country dispassionately understand and appreciate the questions of the autonomy of the sub-nations.

"Democracy in India cannot survive if it ignores the political aspiration of the people. The oppo-

sition parties are demanding more autonomy or power for the States and the Centre is trying to defend its own power. They have forgotten to keep in mind the question of autonomy for the different nationalities of the country", he said. "Without first solving the question of nationalities, the Centre-State relationship will be unworkable and impracticable". Mr Horo asserted.

About 200 workers were trained during the past two days to work as village workers to guide the people in the party's socio-political and economic programmes.

Tribals from West Bengal, Bihar, Madhya Pradesh and Orissa took out a procession from the local Bisra Maidan and proceeded through the main road up to the office of the Additional District Magistrate and submitted a memorandum, demanding the creation of a separate State and rectification of various grievances of the tribals in Orissa. Later the tribals held a public meeting, which was addressed by the party's president and other leaders coming from West Bengal and Bihar.

CSO: 4600/1230

INDUSTRIAL DEVELOPMENT BANK SANCTIONS MORE LOANS

New Delhi PATRIOT in English 2 Nov 83 p 7

[Text] Bombay, Nov 1 (UNI)--The Industrial development Bank of India (IDBI) sanctioned loans totalling Rs 2,184 crore and disbursed Rs 1581 crore during 1982-83. This was 25 percent and 18 percent more respectively, than to be sanctioned during the previous year.

Addressing a press conference here yesterday, IDBI chairman M.R.B. Punja said the total investments to be catalysed by IDBI assistance, sanctioned during 1982-83, would be over Rs 4 000 crore with an additional 600 000 jobs created.

In keeping with the Central Government's announcement in April last about further incentives and concessions for setting up industrial units in no-industry-districts (NIDs) and backward areas, the IDBI also formulated a new package of incentives for stepping up industrial growth especially in the NIDs.

Mr Punja said under the new scheme the maximum limit--of Rs two crore for concessional assistance and Rs one crore for underwriting assistance to units in backward areas--would be raised to Rs five crore and Rs 2.5 crore respectively, for projects in 'A' category districts and to Rs three crore and Rs 1.5 crore, respectively, for projects in 'B' category districts.

Mr Punja said from last April the IDBI had started advancing interest-free loans for the development of infrastructure for new projects in 'A' category districts during the construction period. This assistance, limited to 20 percent of the project cost, however, carried an interest at concessional rate once the project went into commercial production.

Mr Punja said the scheme also lowered the minimum contribution by promoters from 17.5 percent to 15 percent of the project cost. In case of very large projects involving more than Rs 25 crore and sponsored by non-MRTP companies, the promoters' contribution could be further reduced to 10 percent of the capital cost of new projects coming up in 'A' category districts.

He said to encourage small and medium enterprises, the IDBI would provide 100 percent refinance to State financial corporations and State industrial development corporations against their loans to projects in 'A' category

districts. The promoters' contribution in this respect would be reduced from 17.5 percent to 10 percent of the project cost.

Mr Punja said the IDBI had also decided to raise the ceiling on project costs from Rs two crore to Rs three crore for extending refinance assistance.

Mr Punja said negotiations were almost at the concluding stage for raising a Euro-dollar loan of about 35 million dollars. Last year the Euro-dollar loan raised was 25 million dollars.

He said IDBI loans of about Rs 18 crore were locked up in the 13 sick Bombay textile units recently taken over by the Centre.

He said the IDBI had decentralised its activities of assistance under its various schemes and streamlined various procedures for processing the applications for loans.

CSO: 4600/1235

WRITER SEES URGENT NEED TO STRENGTHEN NAVY

Bombay THE TIMES OF INDIA in English 8 Nov 83 p 8

[Article by K.C. Khanna]

[Text] It is perhaps not entirely a coincidence that soon after the naval commanders' conference in New Delhi last week, the defence minister, Mr Venkataraman, along with senior officers of his ministry, took off for an extended tour of Europe. In any case, no one in the know in New Delhi is taken in by the accolade of Captain John Moore, the editor of the standard reference work on the world's navies, that India has the "most powerful" naval force in the Indian Ocean, next to the American. The truth is much less reassuring.

For almost a quarter of a century after independence, the Navy remained the neglected arm of India's defence forces, accounting for just about three percent of the total defence budget. It was only after the Bangladesh war of 1971, when it proved its worth in both the Arabian Sea and the Bay of Bengal, that it began to attract serious interest of the politicians in power. Even so, another seven years elapsed before a long-term plan to modernise the fleet and equip it for a decisive role in safeguarding the nation's maritime interests in the Indian Ocean took some sort of shape. The country's growing stake in offshore oil and fishing grounds in the "exclusive economic zone," extending to 200 miles along the entire coast, helped.

But of late the nation's security environment has deteriorated so rapidly that substantial changes in the earlier blueprint to strengthen the Indian Navy are urgently called for. And, the exercise may involve the purchase of selected items of sophisticated equipment in Western Europe.

Leaving aside for the moment the Navy's wider responsibilities, its ability even to cope with Pakistan's limited naval power is being undermined by two recent developments. First, the United States has agreed to give the Pakistan Navy the Harpoon, a deadly versatile missile with a range of 95 kilometres. It is an "intelligent" missile which can switch over automatically to another homing system if one is jammed. It is meant to arm the five Gearing class destroyers that Pakistan has already received from the US at throwaway prices (another is reportedly on the way), the two French-built Agosta class submarines of Pakistan's Navy and probably, most

of the formidable F-16 multi-role combat aircraft that Pakistan is getting from America in phases. India has no weapon in its arsenal to match the Harpoon.

Short-range Radars

Secondly, the maritime reconnaissance capability in both India and Pakistan was so far virtually confined to slow-moving aircraft with short-range early warning radars on board: India's five Ilyushin-38s versus Pakistan's three Atlantics. But the balance will soon tilt decisively in Pakistan's favour when it gets again from the U.S. four Hawkeye airborne early warning and control systems. Their powerful radars with a range of 500 kms, can simultaneously track as many as 250 targets and direct 30 intercepting aircraft. Thus Pakistani defenders will have a minimum reaction time of 20 minutes against incoming maritime or land-based warplanes. The Hawkeye can also pick up and track the movement of tanks and armour on land. India has no comparable surveillance and control system to aid its forces.

The combination of Hawkeyes, F-16s and Harpoons would dangerously expose India's vital oil installations in Bombay High, sensitive facilities like the Bhabha Atomic Research Centre and the oil refineries in Bombay and the Tarapur Atomic Power Station further along the coast, to Pakistani attack. But since defence against missiles in flight is still in its infancy, Pakistan is seeking a double insurance by trying to equip its Gearing class destroyers with U.S.-built Vulcan Phalanx anti-missile missiles for whatever they are worth. It has, moreover, already managed to equip its forces with two other deadly missiles: the air-to-surface version of sea-skimming, French-built Exocet and the air-to-air version of the American Sidewinder.

That is not all. There are other chinks in the Indian Navy's armour. It has, for a start, only eight submarines compared with Pakistan's eleven and these too are relatively antiquated. Though smaller, Pakistan's five Agosta class submarines are more manoeuvrable. Once fitted with Harpoons, they will acquire much greater striking power than even the West German type 209 submarines which are expected to join the Indian fleet two or three years hence.

Protecting Oil Facilities

Besides, the country had been so preoccupied till recently with the development of its extensive oil facilities in Bombay High that it had almost completely neglected the task of protecting them against hostile attack or sabotage. It is only during the last few months that some thought has been given to the problem: a senior naval officer has been seconded to the Oil and Natural Gas Commission to help co-ordinate the efforts of the defence forces and the Commission itself. There are just three ways of going about it--installing an array of electronic devices in the seabed to detect the approach of hostile under-water craft: air surveillance: and placement of mines or other anti-submarine gadgetry.

The government has now rightly decided that production of oil from Bombay High will not be stopped even if one or more well platforms in the area are wrecked. Naturally every possible precaution will be taken to safeguard the two main production platforms on which, luckily, well armed Sea King helicopters, recently acquired by the Navy from the U.K., can safely land. But a viable all-weather strategy to protect the pipelines and other equipment has yet to be mapped out and implemented. Mr Venkataraman may look at what the European powers are doing to protect their own offshore installations in the North Sea. For the moment, however, India's oil lifeline, so to speak, is a sitting duck.

Ironically, when the Indian Navy launched its long-term plan to modernise the fleet in 1978, it had raised its sights. The emphasis then shifted from maritime defence to the defence of the nation's maritime interests.

This meant that the Navy's role will no longer be confined to the protection of the country's ports, coastal installations and seaborne trade; it would also be expected to safeguard India's economic and political interests in the entire Indian Ocean littoral. Though the Indian Navy could not hope to match the naval forces of the U.S. and other major powers in the Indian Ocean, it decided to acquire the capability to deter any one of them from embarking, directly or by proxy, on an adventure inimical to the country's vital maritime or political interests. In naval jargon, the aim was to "raise the threshold of interdiction."

Gap in Missiles Range

The progress towards this goal has not been negligible. The aircraft carrier Vikrant has been remodeled and re-equipped with powerful sensors. It can now carry formidable Sea Harrier aircraft and Sea King helicopter on deck. By sailing out in the sea it can extend the range of both surveillance and combat at will. The Indian Navy's mixed force of Kashin class destroyers, remodeled Leanders, Corvettes and fast missile boats together pack formidable punch in surface-to-air, surface-to-surface and anti-submarine striking power. This will soon be considerably augmented when the indigenously designed Godavari class frigates begin to be commissioned for active service.

But the cutting edge that the Navy has thus acquired against possible adversaries in the Indian Ocean has been blunted by the induction of Hawkeye and Harpoon in Pakistan's forces, not to speak of AWACS in Saudi Arabia. America's huge task armada near the Gulf of Hormuz, patrolling war vessels of the Soviet Union, France and Britain in the Indian Ocean and the American Rapid Deployment Force in West Asia. During the early months of Iran-Iraq war, Indian merchant ships in the Gulf sorely needed the Indian Navy's protective arm. But naval units discreetly stayed away from the scene even when an Indian merchant vessel was hit by a stray Iraqi missile and the crew had to swim to safety.

To help fill the gap in the range of missiles at its disposal, the government has already arranged to acquire the British Sea Eagles to arm its Sea King helicopters. But they will not be available till the end of 1986. A similar "gap" will remain even if it is able to buy a sophisticated early warning and control system tomorrow. For, that much lead time would be required for delivery, location of a suitable aircraft to fit it in and to make it operational. It can be installed on the F-27, the Dutch aircraft which the government is thinking of buying for the Coast Guard, Dorniers which it may purchase for the Vayudoot, or our own Avros. But there is no time to lose. The authorities must, moreover, give some thought to the acquisition of another aircraft carrier to create a more balanced naval force and to extend its reach.

CSO: 4600/1247

ASPECTS OF PURCHASES OF MIRAGES FROM FRANCE DISCUSSED

To Arrive Next September

Calcutta THE STATESMAN in English 1 Nov 83 p 1

[Text] Paris, Oct 31--India will get the first batch of Mirage 2000 multirole combat aircraft by September next year, according to Avions Marcel Dassault, the builders of the aircraft, reports PTI.

All the 40 aircraft including three twin-seater trainers would be delivered to India by the end of 1986, a company spokesman told Indian reporters visiting the Mirage production facilities in France. Some 26 Mirage 2000 earmarked for India are under various stages of assembly at the AMD facility near Paris and a few of its engines are on the test bed at the SNECMA plant in nearby Korbeil.

Four engineers and technicians from the Indian Air Force are here to familiarize themselves with the aircraft and three more are to join them soon. The first Mirage 2000 will be flown at a French Air Force base by Indian Air Force pilots in the middle of 1984, according to the spokesman.

India, Egypt, Peru, Abu Dhabi and probably Greece are countries to which the Mirage 2000 will be supplied beside the French Air Force whose requirement is placed at 450.

The Indo-French deal is worth Rs 520 crores payable in French francs. The cost of the Mirage 2000 was 5% more than that of the American F-16 at the time India signed the contract but the difference has narrowed due to the devaluation of the franc according to the French firm. The cost includes spare parts.

An official said negotiations were yet to be finalized with India for licensed production of the aircraft which they claimed as far superior to the F-16 both in air defence and ground attack roles.

The Mirage's capabilities were demonstrated to reporters in a film of its experimental flight showing its sharp turns, high angle of attack, exceptionally high climb rate and manoeuvrability.

The aircraft can fly at Mach 2.2 at the operational ceiling of 61,000 feet and can shoot down an intruder 300 km away at 80,000 feet within five minutes after scrambling, a spokesman of the company said.

Technology Transfer Considered

Calcutta THE STATESMAN in English 1 Nov 83 p 9

[Text] Paris, Oct 31--The French firm which has contracted to supply 40 Mirage-200 multi-role combat aircraft to India at a cost of Rs 520 crores has agreed to transfer its entire technology to enable India manufacture not only Mirage-2000s but also the proposed Light Combat Aircraft at the Hindustan Aeronautical Limited in Bangalore, reports PTI.

Several aspects of licensed production of the Mirage in India "have already been negotiated and settled" according to the French firm, Avions Marcel Dassault, which is partly owned by the French Government.

Further discussions on the Hal-AMD tie-up are expected to take place during the Defence Minister, Mr R. Venkataraman's talks in Paris this week. Mr Venkataraman arrived here yesterday on a four-day visit.

India has the option to sign the contract till June 1984 but the time limit may be extended an AMD spokesman told visiting Indian reporters.

"We have proposed a broad industrial cooperation with Indian aerospace industry giving HAL unrestricted access to Mirage-2000 technology," Mr Benno Claude Vallieres, general manager and chairman of the board of AMD told the first group of Indian journalists to visit the AMD factories and plants making the engine missiles and avionics of Mirage-2000.

He said his firm was also ready to help HAL in its development of LCA. "We are completely open and there will be no political problems in high technology transfer," he said.

Under the proposed HAL-AMD tie-up for manufacturing 110 aircraft, HAL will assemble 20 Mirage-2000s in the first two years and then completely produce and assemble the rest in a seven-year period.

The airframe production work will involve 1.2 million manhours and the figure will be the same for production of avionics and the engine, the spokesman said.

Asked if HAL could handle production of the Jaguars, MIGs as well as Mirage 2000s, he said HAL had excellent facilities to undertake the job.

Egypt has already obtained a licence to produce parts of the Mirage-2000, but India will be the first country outside France to produce the complete aircraft.

"Step-by-step we will help you to acquire the necessary machines, train your technicians and transfer the technology which will be useful for your future national aircraft production programmes," the spokesman said.

He said the proposed HAL-AMD collaboration would help introduce in India such technologies as the production of "maraging" steel, and titanium parts made by "superplastic forming and diffusion bonding." Both titanium and maraging steel are extensively used in combat aircraft.

The collaboration will also give access to the latest technology of making high-strength composite materials using carbon and boron fibres. "Any future Indian combat aircraft like the LCA will certainly have to incorporate this technology," the spokesman said.

Other technological benefits to India cited include chemical milling and use of numerically controlled machines that do machining and milling of airframe parts under instruction directly from a central computer. The computer programme, called CATIA (computer aided three dimensional interactive system) developed by AMD can be made available to HAL via satellite according to the spokesman.

The Mirage-2000 will be the first aircraft produced by HAL featuring a completely digital navigation and attack system. Its fly-by-wire electrical flight controls system will also be a first for the Indian aerospace industry. (This system is analogous to a car being driven without a steering wheel).

Weapons Suppliers' Competition

Madras THE HINDU in English 1 Nov 83 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, Oct. 31.

The U.S. policy of building up Pakistan into a major military power to subserve American strategic interests in the Persian Gulf and the Arabian Sea areas is compelling India to go in for more and more sophisticated weapon systems to meet any possible threat from it.

As the most important country in the region, it is not enough from India's point of view to merely match Pakistan's arms acquisitions with comparable weaponry, since it has to maintain a decisive edge over it for sustaining its military supremacy in and around the sub-continent.

No new arms deal: The Defence Minister, Mr. R. Venkataraman, who is on a goodwill visit to Britain, France, Sweden and Austria in response to official invitations, has not gone to these countries to negotiate or conclude any new arms deals with them.

But the very fact of his visit has further intensified the sharp competition between these countries, notably Britain and France, not only to sell the latest weapon systems but also enter into long term arrangements for collaboration in the design and development of the next generation equipment for keeping pace with the rapidly changing military technologies and strategic concepts.

French not happy: The French are not happy with the Indian decision not to go in for indigenous manufacture of Mirage-2000 after acquiring 40 aircraft in fly-away condition. As the agreement provides for the exercise of this option within one year from the day of the signing of the original contract for the purchase of these planes, an effort is being made to persuade India to reconsider its decision.

The French feel that the inter-governmental agreement concluded last year for long-term cooperation in the development of defence equipment will not make much sense if India gives up the Mirage deal half-way and goes in for the MIG line whatever the compulsions for it. An attempt is, therefore, being made by France to persuade India to reconsider its decision by offering a more attractive credit package to pay for this transaction.

U.K. satisfied: The British, on the other hand, are quite satisfied with the Indian decision not to manufacture more Jaguars under licence, since the revised arrangement for the purchase of 40 aircraft in fly-away condition, another 40 in semi-assembled sections and 35 more in partly manufactured sub-sections providing for some indigenous components, has more than exceeded their initial expectations.

So apart from selling more Sea Harriers, Sea King helicopters, airborne early warning systems, air-to-surface Sea Eagle missiles and Rapier surface-to-air missiles, Britain is now concentrating on collaborating with India in the design and development of a light combat aircraft using Rolls Royce engines to be built under licence as part of a long-term defence cooperation agreement.

The French, too, have jumped into the fray and are competing for the light combat aircraft, besides bidding for other weapon systems, over and above their efforts to salvage the Mirage-2000 manufacturing deal which India has abandoned for all practical purposes. The French are also on the run, in competition with the British, for the supply of light helicopters, advanced Exocet missiles surpassing the Sea

Eagles and the AWAUS type airborne early warning system, besides 155mm Howitzers which are bulky but supposed to surpass the performance of the U.S. artillery that India had tried to acquire for its armoured divisions.

Soviets better placed: The Soviets, who have been keeping a close eye on these Western attempts to capture the Indian arms market, are better placed than Britain and France in inducing India to opt for their weapons because of the much lower prices and deferred payment terms. But at the same time Moscow is worried that for political reasons India might turn to Britain and France for meeting at least a part of its requirements as part of a balancing operation to avoid the impression of undue dependence on the Soviet Union.

Though India is going ahead with its decision to build MIG-27 which is only a variation of MIG-23, there is no decision yet about the MIG-29 or MIG-31 which is supposed to be superior to F-16 or Mirage-4000 now under development.

The prototype of this advanced Soviet aircraft has been undergoing severe tests, but the stage has not yet been reached for its induction into frontline squadrons. The final evaluation of this aircraft can be made by Indian experts only when they have an opportunity to see and fly it.

The other arms exporting countries of Western Europe like Austria and Sweden are hoping to gain a foothold in India with both supply agreements and collaboration arrangements. It is not without significance that Mr. Venkataraman's trip includes visits to both these countries after he has concluded his talks in Paris and London.

CSO: 4600/1228

EDITORIAL COMMENTS ON 'FREEDOM OF ELECTIONS' IN IRAN

Tehran KAYHAN INTERNATIONAL in English 20 Nov 83 p 2

[Editorial: "Islamic Iran and Election"]

[Text] Revolutionary Iran is preparing itself for fresh elections. After the first round of general election, almost three and a half years ago, the polling is to be held so that the Islamic Majlis convenes with new deputies by early May, 1984. Preparations are under way; and the Minister of the Interior, having successfully obtained a vote of confidence following a recent censure motion, has summoned all the provincial governors to brief them on the new elections. He has emphasized that, by no means and under no circumstances should they intervene in the election in favor of any person.

We have several reasons touching here on the subject of elections even though we are atleast three months ahead the actual balloting. First we wish to brief our readers on the most up to date events taking place in Iran. Secondly we wish to assure the friends, supporters and sympathizers of the Islamic revolution that this young republic respects its constitutional law which states that parlimentary elections must be held every four years. Still another reason is our desire to show that, unlike the full majority of revolutionary countries we know, in Iran elections take place in spite of the fact that we are revolutionary and at war.

Although, those who hear of the upcoming elections feel encouraged; nevertheless they may harbor some anxieties wondering how and under what circumstances the elections will take place. In other words they would like to know if democratic processes will in fact be respected and observed in these elections. They want to see what differences will exist between what an Islamic state calls "elections" and the selections formerly made by the imperial regime.

The defunct shah once admitted that during his last years, foreign embassies sent him a list of the deputies which should be "elected" to the Majlis. The friends of the Islamic Revolution want to be sure that such extravagances will not be repeated. It goes without saying that the enemies of Iran are preparing to launch their own propaganda campaign. Their opinion is quite firmly fixed. "The dictator regime of the Ayatollah is staging a new show." These people have closed their eyes and ears--may Allah prevent them from ever seeing the realities because of their evil deeds. To justify such charges, they scratch to no avail, for reasons to supply their audience with.

These people are from two political tendencies. Their ideal social model is either the West or the East. Regarding the latter, we have nothing to say because there is no need to say anything. The members of the pro-Eastern 5th column should know that not even in a single socialist country is free election tolerated. Their ideal country is Russia. They are requested to single out even one time, during the last six decades of socialism, when Muslims have been elected to participate in the Soviet legislative organs.

For those who believe we cannot live without depending upon the West and copying the western life style, we also have a word. If by free elections they mean sending to the Majlis deputies who invite American advisors to Iran we prefer to be dictatorial--which is the term they use. If by free elections they mean sending to parliament men who would re-establish western monopoly over our natural resources, we prefer to be "dictatorial" and keep our wealth, and we have opted to prevent this kind of deputy from gaining access to the legislative organs of the Islamic Republic.

In less than five years in the revolutionary Iran, there have been three presidential elections, one referendum for the Islamic Republic which aimed at institute a social system which would realize the ideals and slogans of the Islamic Revolution, one referendum for the constitutional law and five mid-term Majlis (parliamentary) elections. On March 27 and 28 and on May 9th, 1980 the first round of elections for Majlis were held. Because of disturbances in some areas as well as the martyrdom of tens of Majlis deputies by counterrevolutionaries on June 26, 1981 the first round of Majlis mid-term parliamentary elections, coinciding with the presidential election of martyred Raja'ie, were held. On Oct. 1, 1981 and Dec. 10, 1982 as well as June 10 three more rounds of mid-term elections brought new deputies to the Majlis. In the post revolutionary existence of the Majlis, the deputies representing our Sunni Muslim population living in different parts of Iran were elected. Also representatives of the Christian, Jewish and Zoroasterian communities freely gain access into the Majlis. Therefore deputies belonging to the four religions, recognized according to the constitutional law of the Islamic Republic, sit side by side and vote for the benefit of the Iranian people. During the last three and a half years, international and external counter-revolutionaries have tried to tell the world that in Iran religious discrimination exist. If this means that a non-believer who does not fall into the category of the four recognized religions has not been able to penetrate his way into the Majlis, it is true. The Iranian society is a multi-religious society. The one who denies the existence of God cannot be elected as a deputy. According to chapter six article 67, after election, the deputies should take an oath upon their holy book. Then how can a non-believer, who says he or she has no religion be elected? At any rate, the real campaign has not yet begun.

Imam Khomeini and other religious and political authorities have been speaking about the qualifications a deputy should have based on the constitutional law. In the coming issues, we shall further expound on the coming elections. In concluding we only can say that whatever happens, those who will be elected in a few months will be exactly those qualified by constitutional law. Politically speaking, they will depend neither upon East nor West. And they will endeavor to make a better Iran where they can execute their legal duties and serve the supporters of the Islamic Republic.

PAPER CRITICIZES YUGOSLAV RELATIONS WITH IRAQ

GF271531 Tehran TEHRAN TIMES in English 24 Oct 83 p 2

[Editorial]

[Excerpts] Yugoslavia's prime minister recently made an unexcused visit to Baghdad. On Tuesday 18 October she held talks with Saddam Husayn: This very person who has trampled upon the words and spirit of the Non-Aligned Movement by embroiling Iran in an unwanted war during the past three years. However, much of the talks may have been prompted by a growing concern on the part of the Yugoslavs about the fate of their 11.5 billion-dollar investment in Iraq, but nonetheless they indicate also that in their choice between maintaining their political prestige and safeguarding transitory economic interests they have not made a wide decision.... However, much as such relations may be interpreted as efforts for compensating Yugoslav's foreign exchange deficits such excuses are disproved by hasty visits to Baghdad of Yugoslav's deputy prime minister during the past six months. Already the Yugoslav officials are openly voicing concern about the fate of their investment in Baghdad....

Yugoslavia has to cope with severe economic problems at home, while until a recent past it was hopeful about an eventual improvement in the economic situation in Iraq.... The Yugoslav press which until some time ago had but to portray Iraq as a powerful government unflinchingly loyal to the principles of the non-alignment, now publish candid reports of dwindling financial resources of Baghdad and its incapacity for paying off its foreign loans.....

Despite the present circumstances the Yugoslavs are hopeful of winning concessions from the Ba'thists of the Iraqi Government. They are apparently unaware, however, that such commitments by the Baghdad Government will not be the least respected in the dawn of the fall of the Baghdad regime.... However, independent from Washington policies may seem the development of relations between Baghdad and Belgrade, one cannot help wondering how as a founder member of the Non-Aligned Movement, Yugoslavia can bring itself to side with the most reactionary of the reactionaries and U.S. inspired governments such as the Saudis and the Persian Gulf sheykdoms in a bid to save the life of the Baghdad regime. No doubt the Yugoslavs are not likely to get back anything in this deal, but more sorrowing than that is the disreputation of the political stature of the Yugoslavs at the global level. The siding of the socialists with the Baghdad government cannot possibly whitewash the hideous

crimes of the Ba'thists, but more possibly such efforts are doomed to end in historical set-backs. Whatever it may be the popular revolutions distinguish the financial obligations of dependent governments in two separate classifications: first the category of justifiable financial obligations which will be respected (by revolutionary governments) and second predatory and enslaving obligations which are not the least likely to be recognized by any revolutionary government in any part of the world.

The Yugoslav leaders would be much better advised to prove in their approaches that their relations with Iraq are not typical of the second category.

CSO: 4600/176

SWEDISH REPORTER: VILLAGERS FIND LIFE BETTER UNDER KHOMENI

Stockholm DAGENS NYHETER in Swedish 14 Nov 83 p 19

[Article by DN's correspondent Bo Viktor Pagels: "Iran's Revolutionaries Concentrate on the Countryside: Khomeni Gives Us Refrigerators and TV"]

[Text] Schahr-Abad in October--Fresh water piped directly into the house, a new bathhouse in the middle of the village, a new mosque, village library and two new schools. That is a large part of Iran's revolution for Badji Hosseini and her family in the little farming village Schahr-Abad barely fifteen miles east of Tehran.

"Imam Khomeni really cares about us, we received nothing from the shah. The imam has made life easier for us. In a year we'll have electricity in the village and can get a refrigerator."

Badji Hosseini speaks somewhat reluctantly, but eagerly when she mentions Khomeni. The family and some neighbors pause for tea around the kettle in the potato field. The oxen in front of the potato plough have their muzzles deep in their feedbags next to the truck that will take the potatoes to market in the city of Firuzkuh.

It might be a picture of the Swedish countryside in the forties if it weren't for the steep Elburz mountains rising behind the low houses of brick and sundried mud in the village.

Badji's Husband, Hadj Ali Ilka, is not poor but not rich either. With his almost 10 acres of arable land and 30-40 sheep, he is a relatively typical smallholder in the village which has 1,300 inhabitants 220 families.

The Ilka couple are both between 50 and 60 years old and have six children. The parents show evidence of having worked hard.

But the last year has been easier. There is now a relatively good gravel road between the village and the city of Firuzkuh, six miles away, where there is a market for the crops. And now Nadj Ali hopes to be able to watch TV when the electricity arrives.

See the World

"When we have worked all day, it will be fun to come home and see the world on TV together with the whole family.

It is Jihad-e Sazandeg-, the Mobilization for Restoration, that has changed life in Schahr-Abad and tens of thousands of other villages in Iran.

Jihad is a voluntary organization that, using government funds, works to break the backwards development in the country villages by providing water, electricity, schools, clinics etc.

The underdevelopment of the countryside has, for a few dozen years, caused a steadily increasing movement from the country to the large cities.

The Minister of Energy, Hasan Qafari-Fard, fears that half of all the Iranians already live in the cities. Tehran alone today is believed to contain up to eight million of the country's 36 million inhabitants. The city was never planned for more than six.

Ayatollah Khomeini has especially condemned the last shah, because he let the countryside fall into decay and changed Iran from a self-supporting country to a country that has to import food.

"The slogans of the shah in "The White Revolution" were correct in some places, but the content was lies and the result a fiasco," says one of the participants in Jihad.

To Home District

There are 50 instructors in Firuzkuh who work in 60 villages. The instructors are often students with a technical degree and many have returned to their home districts from Tehran to help "the poor and the oppressed."

The government provides two thirds and the villagers one third of the cost of a project that has been approved in Tehran. The costs are kept low, because the villagers provide a lot of work.

The instructors, who are deeply faithful muslims and who follow the example of the Iman, live very simply. Their meals are eaten on the floor in a small room and those who did not bring their families sleep in a common dormitory.

"We activate the people and make oppressed muslim brothers see that, through Islam and Imam Khomeini, we can build up our own social and economic system and improve our conditions under our own power," says one of the instructors.

War

"Unfortunately, we have been forced into a war and more than half of Jihad's efforts are now directed towards the front. We are building trenches, roads and bridges and handle transports to and from the line of battle. Many members have become martyrs."

Jihad-e Sazandegi's contributions are no wholly without criticism from some people who think that some projects are so poorly carried out that it is a waste of money. It would be better to wait, to invest better and to build properly.

No doubt, some installations may seem unprofessional, perhaps they will only last a few years. But even badly strung electric wires are an improvement to the villagers, a greater improvement in a few years, than what the villages have experienced in more than a hundred years under different shahs.

The revolutionary islamic government can take the credit.

Five-Year Plan

The leaders in Tehran have produced their first five-year plan, which is in effect until the spring of 1988. The plan emphasizes agriculture, but the question is whether it can be accomplished. 98 percent of Iran's income from abroad derives from oil.

The five-year plan, according to British observers, is based on a 70 percent increase in oil revenues, from about 20 billion dollars per year to 34 billion dollars in 1988.

This would mean that the price of oil would have to increase by 10 dollars a barrel (current price is about 28 dollars), or that Iran would increase its production far beyond the current OPEC quota of 2.4 million barrels a day.

The energy experts do not believe in either such a strong price hike or in such an increased demand for oil.

Another critical question concerning agriculture is the land reform that has been spoken of for several years. The decision seems to have run aground on the varying opinions among the leaders, where the conservatively religious refer to the laws of Islam about ownership, as an obstacle.

Several times lately, various top figures have condemned all mention of a split within the leadership as foreign propaganda and the opposition has been diminished to "divided opinions."

But it is likely that further talk of land reform will wait at least until after the parliamentary election which is expected to take place in March of next year.

Becomes a Farmer

Agriculture and progress in the countryside will decide how close Iran will come to the stated goal of freeing itself from importing foreign goods. And they will decide if the flight from the country can be stopped.

13-year old Sohrab attends eight grade in the village school that Jihad-e Sazandegi has built in Schahr-Abad. He will remain in the village as a farmer after high school, he says. One of his fourteen classmates says that he is going to study at the university in the city. And very quickly ten others call out that that's what they want to do, too.

Students and other young people who want to start small cooperative businesses have received generous loans from the government, if they have settled in the country.

The campaign is said to have been successful, but Tehran still acts as a magnet, drawing the people from the country.

There they meet mostly lack of housing, unemployment, lack of food and high prices.

Perhaps conditions in their region will be such, when Sohrab and his classmates leave high school in five years, that they will not be tempted to migrate to the city or to be followers of the "poor and oppressed," whose manifestations of displeasure shook the shah and contributed to his fall.

Sits Securely

During the summer there were protests about lack of water and bad bread in Tehran. Among Iranian exiles this was depicted as the beginning of a second revolution.

"There is a big difference between a "mini-riot" and a revolution," says a westerner who witnessed the events. The riots were aimed at those responsible for providing water and at the bakers, not at the governing regime. Riots can be used for revolutions, but there is no power now that seriously threatens the regime in the country.

"The islamic revolutionary government sits securely in the saddle--and it will do so on all accounts as long as Ayatollah Khomeini is alive."

Key:

- 1) Tehran
- 2) Iraq
- 3) Saudi Arabia
- 4) Persian Gulf
- 5) USSR

12339

CSO: 3650/48



THREE IRANIANS REPORTEDLY FACE DEPORTATION

Manila PHILIPPINES DAILY EXPRESS in English 23 Nov 83 p 7

[Text] Three Iranians, including the suspected leader of the alleged "liquidation squad," are facing deportation proceedings on Monday, Nov. 28.

Facing charges of undesirability are: Amir Hossain Kamboozian, the alleged head of an Iranian "hit group", Mohammad Tahmidi and Gholamali Abdolnoori.

Rogelio V. Quevedo, immigration lawyer, said the suspects were all admitted as students. He said the Iranians, however, have lately involved themselves in activities other than the legitimate pursuit of education.

The Iranians, Quevedo also said, have "exported to the Philippines the so-called Islamic revolution," going after, harassing, coercing and intimidating other Iranian students suspected to be against the present regime in Iran.

All three Iranians are also facing criminal charges for serious illegal detention of another Iranian student now pending before the Makati regional trial court.

Quevedo said their student visas were cancelled by the immigration commission, reverting them to the status of temporary visitors.

Earlier, immigration sources said all three suspects were directed to leave the Philippines but they refused and are therefore overstaying.

CSO: 4600/162

INAUGURATION OF INTERNATIONAL MEDICAL SEMINAR IN TEHRAN

Tehran TEHRAN TIMES in English 21 Nov 83 pp 1, 4

[Text] Tehran, (IRNA)--The first international medical seminar to be held after the victory of the Islamic Revolution of Iran, was inaugurated here yesterday morning by President Ali Khamenei. The seminar being held at Tehran's Esteqlal Hotel is attended by several physicians from 65 countries from throughout the world.

"In our world today, with all its scientific potentials and available technical facilities, the scientists and learned men, are more than ever before duty bound to find out about the pains and short-comings of our great human society," said President Khamenei.

No fair-minded person," he said, "could hide his grief and pain when facing the bitter fact that a very large percentage of the facilities that the science of medicine has provided, are allocated to a small part of our world and that a far larger part are deprived of these fruits of knowledge and science."

It was impossible to investigate medical and health problems of the deprived nations in isolation since they had their roots in their social, political, economic and cultural background and long-standing difficulties and crisis, he emphasized.

The president added that no fair-minded person could ignore great problems the devastating Iraqi imposed war caused on Iran in the field of health and medical care.

The war also hindered implementation of many of Iran's medical projects and research, he said, adding that the Iraqi enemy had at present resorted to chemical warfare.

"Supported and encouraged by the Superpowers and imperialistic-oriented governments, and in flagrant violation of all international conventions it (the Iraqi regime) has polluted parts of our country with deadly chemical material," he said.

He urged physicians and medical specialists through the world not to overlook great dangers resulting from chemical bombardments.

He also called on the seminar to allocate a part of its programme to further investigate chemical bombings and their dangerous consequences.

Policies followed by the aggressive governments were the main cause for a large part of problems and difficulties the Third World was facing in the field of health-care and medical attention, President Khamenei noted.

But, he stressed, the Third World had its own 'weapons' to fight these policies mainly through materialising closer communication among physicians and specialists who had not been lured by material and temporal incentives and had not severed their human ties with mankind, especially the deprived people of the world.

The president hoped that this scientific gathering would serve as a step towards consolidation of these ties and realisation of human goals.

CSO: 4600/158

MINISTER SAYS SOUTH KOREA TO PLAY MAJOR ROLE IN PAKISTAN'S DEVELOPMENT

Karachi DAWN in English 26 Nov 83 p 1

[Text]

SEOUL, Nov 25: South Korea will play a major role in Pakistan's five-year, 40 billion dollar development programme begun this year, Pakistan's Planning and Development Minister Mahbubul Haq said today.

Mr. Haq, on a five-day visit to South Korea, told reporters that South Korean companies could take part in 10 to 15 billion dollars worth of construction projects, including power plants, highways, irrigation facilities and hospitals.

He said the visit, which came two weeks after Pakistan and South Korea established diplomatic relations, opened "a new economic partnership" between the two countries.

Mr. Haq and South Korean Deputy Premier and Economic Planning Minister Shin Byong Hyun said in a joint statement that the two sides had agreed to expand cooperation in trade, agriculture, fisheries, science and technology, joint venture and construction.

South Korea exported 106 million dollars worth of cement, textiles, steel products, paper and other items to Pakistan last year

while buying 18 million dollars worth of Pakistani products, including fuel oil, raw cotton and hides, Korean figures showed.

South Korea agreed to help narrow the trade imbalance and to provide technical assistance for market research and information and for product development and sales, the statement said.

The State-run Phang Iron and Steel Company (POSCO) recently decided to purchase 20,000 tonnes of pig-iron from Pakistan, it added.

The two sides agreed to work for the conclusion of an economic and technical cooperation agreement and another agreement for cooperation in science and technology, the statement said.

The two Governments would also encourage private joint ventures in various industrial areas, and Pakistan would favourably consider participation of Korean contractors in major public projects, it said.

The South Korean side agreed to encourage Korean contractors to increase their employment of Pakistani workers and carry out training programmes.—APP

CSO: 4600/166

OFFICIAL CLAIMS ON INFLATION, COST OF LIVING REFUTED

Karachi DAWN in English 17 Nov 83 pp 7, 10

[Article by Sultan Ahmed: "Soaring Prices and Stern Official Denials"]

[Text] AS FOOD prices in the country soar the Finance Minister insists there is hardly any inflation. Prices of meat, vegetables and eggs have shot up and de-rated sugar is far more costly. But Mr. Ghulam Ishaq Khan told the Majlis-i-Shoora on Nov 3 that after all these price increases the overall impact on the common man would be about 0.32 per cent. No wonder prices have risen further since then.

Mutton price has risen from Rs 24 to Rs 32 and beef price from Rs 14 to Rs 18 in Karachi within months — an increase of 33 and 30 per cent. The price rise in Lahore is almost similar. And yet the Finance Minister insisted there was a nominal increase of 2.8 per cent in beef and 3.1 per cent in mutton prices.

As the Finance Minister was making such assertions the District Magistrate of Lahore raised the prices of mutton officially from Rs 18 to Rs 22 per kilo and beef from Rs 9 to Rs 11 — an increase of 22 per cent in both cases. And Lahore newspapers reported that mutton was in fact sold there at Rs 28 and beef at 14. Similar has been the large gap between the officially fixed and actual prices in Karachi. And yet the Finance Minister told the Majlis there had been no increase in the prices of commodities controlled by the Government.

Seasonal factor

When members of the Majlis protested against soaring egg prices, which had risen to Rs 9 and 10 from Rs 7 or 8 within weeks the Food Minister contended that it was a seasonal factor. That does not appear to be so as egg prices have since then reached Rs 11 and more per dozen.

Prices of potato and onion have reached record heights. From Rs 2 per kilo onions are selling at Rs 9 per kilo and potatoes at Rs 6 to Rs 7. And in spite of the beginning of cold weather tomatoes are selling at Rs 20 per kilo — a price unheard of even in the hot summer.

Judging by the Finance Minister's assertion about the 0.32 per cent increase in overall prices I presumed that Islamabad might not be affected by it at all. But the Additional District Magistrate, Islamabad, has announced that in the weekly bazars to be held there until today onion would be sold at Rs 36 for five kilos, while the usually more costly garlic will cost only Rs. 35 for five kilos. Eggs are to sold at Rs 10.50 per dozen and tomato at Rs 10 per kilo. If prices are to be so high in Islamabad in spite of the free transport made available by the Capital Development Authority for carrying the goods from the farms to the market, prices ought to be higher elsewhere in the country where the sellers have to hire their own transport at a high cost. But even the Islamabad prices belie the

Finance Minister's contention.

Earlier in the year the price of ration atta was raised by 8 per cent, preparatory to abolishing wheat subsidy altogether by 1985. And sugar is available to the consumers at about Rs 8.50 instead of the ration price of Rs 7 per kilo. Price of oil and gas rates went up earlier. Can all these have no impact on the price index?

The Finance Minister is right in asserting that the import price of edible oil has shot up and yet vanaspati price has not been raised. But having given hints of a possible price increase it may be wiser to announce a moderate price increase now instead of creating conditions in which massive hoarding may be resorted to in anticipation of a price rise.

Free market price

In the vegetable market the retailers are blaming the wholesalers, and the wholesalers were asserting that most of the vegetables were going abroad. Undoubtedly vegetables were being exported increasingly; but the overall exports have not been very large. Now we are told the exports have been stopped.

Export of vegetables "fresh and simply preserved" during 1982-83 fetched only Rs 10.1 crore, and formed only 0.30 per cent of the country's overall exports. "Vegetables prepared or preserved" fetched Rs 1.8 crore last year and formed 0.06 per cent of the overall exports. But is it worthwhile exposing the masses to so much hardships for the sake of this total of Rs 12 crore, which form only 0.36 per cent of our overall exports.

When vegetable exports began last year there was a major uproar in the country. The government then said that it would keep a watch on the exports and ensure there is neither an acute shortage nor abnormal price rise in the country. Clearly no such vigilance has been kept. Otherwise onion prices would not have shot up by 300 to 350 per cent, potatoes by 200 to 250 per cent and egg prices nearly 90 per cent.

When sugar was de-rationed it was officially announced that if free market prices soar imports would be arranged for. And in the case of pulses they were imported two years ago when there was an acute shortage and prices shot up abruptly. If such vigilance was exercised in regard to vegetables, prices might not have shot up so much. The temporary ban on exports could have been imposed earlier.

The vast gap between the official price index and actual prices has been too large in Pakistan. Similarly, the gulf between the optimistic official projections for the future and the painful reality has been very large. The Government is not doing anything to bridge this gulf despite the large Statistical Department it has. The office of the Director-General of Statistics is now being shifted from Karachi to Islamabad. And the fear is that once the shifting takes place its figures in respect of cost of living and prices may be even more misleading or ludicrous than they have been.

The official measures themselves deny the official figures in respect of prices. If inflation was as low as five per cent until June why did the government increase the wages of Federal Government employees alone by Rs 385 crore, promising a net increase of 10 per cent in their emoluments? And why are the lower grade employees repudiating the new pay scales angrily, while the senior officers are protesting that income tax has eaten away their pay increases? And now both the groups are complaining they have been made losers by the sharp rise in prices. What really matters is the take-home pay of the employees, and finally its purchasing power. Clearly the purchasing power of the rupee is going down and down all the time despite official assertions that there is hardly any inflation in the country.

Such denials are a repudiation of all the principles of economics. How can our finance officials honestly assert that none of the major economic laws have any relevance to Pakistan? If we have to pay Rs 13.23 for a dollar instead of Rs 9.90 we paid until January last year, will not the price of imports shoot up? And will not the retail prices be far

higher in an economy like ours marked for its high profits all along the manufacturing and distribution lines?

Will not the increase in money supply by about 11 per cent in 10 months increase the prices? Money supply rose from Rs 134.5 billion in January, to Rs 151 billion in October. And by the end of December it could be 13 to 14 per cent, while the increase in Gross National Product expected this year is 6.5 per cent. Will not the price rise hence be substantial?

Higher wages

In fact, there has been a 200 per cent increase in money supply since June 1977, when it was Rs 51.7 billion. While the increase in GNP on an average during this period has been only 6 per cent the average increase in money supply has been about 33 per cent. No wonder prices have been soaring.

The Government tries to reduce the hardships of its employees on this score by increasing wages as well as the pension of its retired employees. But in the process of doing that it pushes up the prices further. This year, for example, while the Federal Government will spend Rs 385 crore more on its employees for higher wages, the total enhanced expenditure of the provincial government and public sector organisations is likely to be about Rs 1,000 crore. If all that money in the market pushes up the demand and raises prices, making the gainers losers in the process, it is a normal development. Hence other countries, particularly the West, fight inflation vigorously and keep down the money supply. The safe

limit for a country like ours could be an increase of 8 to 10 per cent in money supply, but even in recent years it ranges between 14 to 20 per cent.

Undoubtedly the inflow of about 3.5 billion dollars which come through banking and non-banking channels aggravate the inflation. Their adverse impact could be reduced if more of such large funds are saved and invested instead of about 86 per cent of that being spent.

But any solution of the problem of inflation and consumer hardships has to begin with admission of

the malady and its full dimension. If, instead, the officials deny its existence and refuse to diagnose it honestly, no solution can be found. The consumer in Pakistan today is helpless in the face of the rock wall of the bureaucracy.

CSO: 4600/163

INDUSTRIAL UNITS FACE CLOSURE DUE TO POWER SHORTAGE

Karachi DAWN in English 22 Nov 83 p 1

[Text]

LAHORE, Nov 21: Owing to serious shortage of gas and electricity, over 2000 industrial units in the Punjab are likely to be closed down — partially or completely.

Official notices to this effect have been issued by the Sui Northern Gas Pipelines Ltd (SNGPL) and WAPDA, fixing a tentative date for the shutdown as Dec 1.

The crisis would roughly entail a reduction of about 40 per cent in the overall industrial production in the province during the next four months, a spokesman for private sector units said here today.

The managements have been advised to make alternative arrangements if they intend to keep their factories running.

According to the notices, the Sui Northern Gas Pipelines would shut off supply to any factory at any time during the next four months i.e. up to March 1984. The factory owners have been advised "in their own interest" to make alternative fuel arrangements with immediate effect, as according to SNGPL, it is getting very restricted supply of gas from the source.

Similarly, WAPDA has also prescribed a schedule for the supply of electricity, suggesting cut in working hours in the industrial units. In this connection, a formal approval has already been obtained from the provincial Government. Under new arrangements the factories will observe additional holidays and reduce duration of daily shifts.

CSO: 4600/166

SCHOLAR TALKS ABOUT SOVIET INTENTIONS IN AFGHANISTAN, PAKISTAN'S DILEMMA

Karachi DAWN in English 20 Nov 83 p 12

[Text] Dr Lawrence Ziring, an American foreign affairs specialist, said in Karachi last evening that the Soviet Union was determined to stay in Afghanistan and absorb the non-aligned Muslim State into the Soviet Republic.

Dr Ziring, who returned yesterday from the Soviet Union, said that the Soviets wanted to "Mongolianise Afghanistan and transform it into a model State."

Addressing a meeting of the Pakistan Institute of International Affairs, he said the Soviets were not interested in a compromise solution of the problem.

Dr Ziring, who has been a close observer of the developments of the regions for the last 30 years, recalled his recent talks with his "colleagues in Moscow," who had asked him why Pakistan did not close its frontiers with Afghanistan to stop refugees from entering the country.

Dr Ziring said he told them that Pakistan had neither the resources nor the capability to do so.

He said the issue of Pakhtoonistan was more alive today than it was ever before, with more than three million Afghan refugees on Pakistan's soil, as the Soviets had "moved the issue directly into Pakistan." One could not treat this question (Pakhtoonistan) lightly, he said.

While talking about the Geneva negotiations on Afghanistan, Dr Ziring said the Soviets had informed him that Pakistan, "was making life miserable for the Soviet troops by supplying heavy armours to the resistance groups which are very formidable."

The United States, he said, never harmed Pakistan, and added that the relations between the two countries had been cordial and stable over the decades.

"We don't want Pakistan to be a frontline State vis-a-vis the Soviet Union," he said.

The present crisis in Afghanistan, he said, had brought the US and Pakistan closer, although the latter had strong ties with Muslim countries, joined NAM and ceased to be a member of US-supported alliances.

About Soviet Union's internal issues, Dr Ziring said there was no effective leadership after the death of Mr Brezhnev.

The Soviet Union, he said, had strong ties with Syria, Iraq, Libya and PLO, but it had no control over Assad, Qadhafi or Yasser Arafat.

Answering a question, he said the Superpowers exploited "your weaknesses." "One of the most tragic events was that India was given a chance to exploit the situation in East Pakistan and create Bangladesh," he added.

Maj-Gen Ghulam Umar presided over the meeting and introduced the speaker.

CSO: 4600/164

ISLAMIZING THE ECONOMY: PROCESS SEEN INEFFECTIVE

Karachi DAWN in English 20 Nov 83 [Business Supplement] pp I, IV

[Article by M. Ziauddin]

[Text] THE operations of Pakistan's first and only modaraba floated so far is reported to have sucked in and blocked about Rs 30 million of NIT's financial resources.

There is said to be very little hope of this blocked amount being released in the near future first because of a serious slump in the housing market and secondly because of the abnormally high prices

40 odd costliest apartments now priced at Rs. 1.5 million each for which there seems to be no takers.

At the time of clinching the deal, the construction company had reportedly promised NIT that the apartments would be purchased back after "some time" (time limit not known) by a company to be floated by the same construction company. But this does not appear to have materialised. Meanwhile, it is being expected that the price of the apartments would keep on increasing every time they change hands.

"Islamic economic experts believe that mark-up basis is nothing other than interest."

of apartments constructed by the company.

The apartments which were being sold at Rs. 275,000 a piece, when the modaraba was floated, were evaluated at about Rs. 900,000 each by the NIT when it agreed to advance to the company, Rs 30 million, half of which reportedly went into completion of the construction work and the other half to repayment to Bankers Equity Limited, which floated the modaraba.

Now, while the floaters of the company, the construction company and the shareholders are very satisfied with the way things shaped, the NIT is burdened with

Promise

A modaraba is in concept an investment fund for which resources are obtained through sale of modaraba certificates to subscribers by a modaraba company, that is, a company permitted by the government to float modaraba type investment funds.

A Registrar of Modaraba was appointed on July 15, 1980 and a religious board and a tribunal were constituted on February 3, 1981. In June 1981, Bankers Equity Limited was registered as the first modaraba company in Pakistan and as such it floated one modaraba to finance construction and sale of an apartment complex which was completed in 1982-83 and the modaraba then stood dissolved.

According to official claims about six more companies have expressed their intention of participating in new modaraba operations. But according to market sources, the private sector does not relish the idea of undergoing legal screenings it is obliged to at the hands of the Registrar, the religi-

ous board and the tribunal. So, the indifference of the private sector towards modaraba.

Musharika

Thus, after the dissolution of the Twin-tower Modaraba Company nothing much has happened on this front. Similarly, the other Islamic financial instruments—musharika and leasing and hire-purchase—too have so far evoked little response from the business community.

The success of a financial instrument is usually gauged by the amount of share of working capital it provides to business operations. And since the activity of musharika in this context is insignificantly limited after having been in operation since July 1, 1982, its introduction is being considered by some as nothing more than an act to impress that the process of Islamisation of economy is progressing apace.

Under the leasing arrangement a commercial bank or financial institution may rent equipment to project sponsors for a given payment over a predetermined period. Under the hire-purchase scheme the agreed payment includes an element for the acquisition of equity as well as rent. These instruments were also launched on July 1, 1982. But so far these too have not been tested.

According to financial experts the instruments of leasing and hire-purchase are in operation even in non-Islamic economic systems. It was because of this reason that after having launched them the government thought of consulting some foreign experts, who were invited to study the problem and advice on how best to operate these instruments. But so far these consultations have seemingly yielded no results.

It is believed by some that like the musharika, the leasing and hire-purchase instruments were also introduced for appearances, sake and there has been little evidence of encouraging the business community to make use of these Islamic financial instruments in any meaningful way.

Pakistan's financial legal framework and corporate systems were amended on June 26, 1980 to

“There has been little evidence of encouraging business community to use Islamic financial instruments.”

permit the issue of participation term certificate. The objective of introducing PTCs was to provide an alternative financial instrument to debenture, thereby allowing the business community to meet its medium-term rupee financing needs without resort to the issue of interest-bearing paper.

Debenture

But experts say that by allowing a fixed rate of return of 14 per cent on the PTCs, which was almost the same as for the debentures, the official financial experts have themselves removed the Islamic component from this instrument.

Commercial banks were allowed, beginning January 1981, to accept PLS savings and term deposit accounts. Effective from the same date, the commodity financing operations of the federal and provincial governments and the purchase of export bills negotiated under letters of credit were converted to a mark-up basis with regulated rates of return.

Commodity operations

Similarly, beginning March 1, 1981 the commodity operations of REC, TCP and CEC and the purchase of import bills and the inland acceptance drawn under letters of credit were also shifted to a regulated mark-up basis. In November 1981 the trading operations of the government-owned Utility Stores Corporation were also converted to a mark-up basis. The rates of return established for the use of PLS funds in the above mark-up operations approximate closely the loan rates formerly applied by the banks to these transactions.

Interest

Islamic economic experts believe that mark-up basis is nothing other than interest. The opinion of the Council of Islamic Ideology on this issue is also not unambiguous.

Experts say that interest is nothing more or nothing less than a predetermined mark-up with regulated rates of return. They say we are actually practising the system of interest under the transparent guise of mark-up.

These Islamic economic experts also believe that the zakat and ushr systems being part of *Ibadat* and being no alternative to the existing secular taxes, cannot be expected to contribute in any significant way to the process of Islamisation of the country's economic system.

In any case, they said, the zakat and ushr system affected only a miniscule minority of the population considered as *Sahib-i-Nisab* (some hundred thousands) and another about 10 per cent of the population defined as *mustahqeen*. The majority of the population, nearly 90 per cent, they said, was neither the receiver nor the donor of zakat or ushr and thus was not touched in any way by this system.

So, they insist, the process of Islamisation of economy has hardly taken off. They, however, do not doubt the sincerity of the government in this connection. On the other hand, they do not think that those responsible for executing the process were either adequately qualified or sincere about the job.

In their opinion, Islamic economic system is a revolutionary concept and as such it can only be implemented through a revolutionary process. And if attempts were made to implement a revolutionary concept through evolutionary methods, the results, they said, would only be counter-productive and bring in disrepute to the name of Islam.

ENERGY: SHIFT TO COAL STRONGLY RECOMMENDED

Karachi DAWN in English 20 Nov 83 [Business Supplement] p III

[Article by M. B. Naqvi]

[Text]

AN ENERGY policy option for most oil-importing countries, is to shift to coal instead of oil. That is for those who do not have enough potential for hydro-electricity. Oil's costs and its vulnerability are said to be the deciding factor.

Apart from objections of environmentalists, coal is the cheapest source of energy. It is historically the oldest also. The rest of the world is witnessing a return to coal. When Pakistan came into being, most (59 %) of the electricity was generated from coal. But that is not the situation today. Now coal's share is down to a measly 5.18 %.

There are several causes. Initially, Pakistan was considered coal-deficient and importing coal from India was disliked. Then, hydro-electricity was all the rage. Later, import of cheap oil was an attractive way out. Finally, discovery of gas brought its own revolution; we thought it was a cheap, clean and absolutely unlimited source of energy and much else.

Energy sources

Today, the electricity-generation picture is something like this: Coal-fired plants are 5.1 %, oil-fired ones are 39 %, gas-fired ones are 38.7 % and hydel and the rest of the stations account for 17.2 %. One is not counting the nuclear power; it is erratic today and subject to several

uncertainties for tomorrow. The latter is also being strenuously objected to by environmentalists. Whatever be the future course, a few factors can be taken for granted.

The truly cheapest source of energy remains hydel power and to the extent Pakistan possesses a potential, it will have to be developed optimally; there can be no two opinions on the subject.

Next, unless we strike oil in a truly big way, planning more thermal stations on the basis of furnace oil (or any other oil) will be adding an exorbitant item to our already heavy import bill; balance of payments' situation simply does not permit us this luxury.

Insofar as gas is concerned, original optimism has given way to more realism. Neither its supplies are unlimited nor it is optimally the cheapest material source of energy. There are better economic uses of this otherwise precious resource, such as making it a base for petrochemicals.

Instead of burning it, let us make useful commodities out of it; that will create or save more wealth. No doubt, it is the cleanest and, thanks to state-imposed prices, the cheapest source of power, but the temptation to go on burning it for power should be resisted; anyhow, supply constraints are forcing a limit on further expansion of gas-fired power stations.

Given the uncertainties and the likely delays and snags of nuclear power, it was inevitable that the Planning Commission's Sixth Plan should have made a big allowance for conventional thermal power. But its thinking is dominated by the idea of basing it on furnace oil. Thus, import requirements of furnace oil for power generation are to record a rise from 0.642 million tons per year in the current year to 2.69 million tons per annum in the final year of the Plan. Allowing for other factors, net imports to meet the shortfall in the local production of furnace oil will be 0.234 million tons per annum in the current year to 3.24 million tons in the final year of the Plan, a fourteen-fold increase.

The picture will radically be different if coal is to be preferred. A feasibility study of a notional 200 MV plant on coal has been prepared in the private sector. It suggests that the cost of installing the plant (supposing it is an imported one) is higher for coal-fired than for the oil-fired one. But the savings on fuel charges will be dramatic. Some of this advantage may be lost in somewhat higher maintenance costs of a coal-fired plant. Even so, net savings in the overall operational costs will be very considerable per year.

Another study, informally done by the coal lobby, shows that if a wider policy orientation was to be adopted that favoured coal as the chief source of power wherever thermal power is needed, it will have to be a two-track policy: Maximally developing Pakistan's own coal mines and generating power from them as near them as possible.

The only problems will be that most of our local coal being of inferior quality in terms of generated BTUs per ton, it will be costly and should transportation charges be added — local transportation being equally more expensive than elsewhere because of inefficiencies involved — financial advantages of local coal will be reduced. Even so, that will be preferable to adding a lot of money to our import bill.

But for areas in and near Karachi, sheer economics will force administrators to prefer imported

coal for several reasons: imported coal is better, costs low and is unlikely to go up much in value and transportation per ton, say from Australia to Karachi, would be approx the same as bringing it from say somewhere in Larkana.

The study suggests that should 1000 KV plants for Karachi be proposed to be converted to or built for coal in the next few years, the position will be something like this: The cost of coal required (2.5 million tons) will be US\$143.45 million annually to replace 1.4 million tons of furnace oil worth about US\$285.75 million. The annual savings of foreign exchange will be of the order of US\$142 million — not at all an insignificant amount of money.

Imported coal cannot be recommended for any place other than for Karachi. Elsewhere crash programmes are needed for developing locally available coal, including some treatment for the coal itself or discovering new technologies for extracting more per unit.

Insofar as Karachi is concerned, its power requirements are multiplying fast. Every four years the power needed is doubled. May be the process might accelerate further in future. And Karachi is racked by the question of electricity costs. The need for bringing down the cost of power generation here is urgent. One of the ways of going about the business would be to convert on coal as soon as possible.

Australia appears to be keen on selling its coal. It might be willing to give some aid for initial conversion to coal for plants in and near Karachi. As it is, some coal is already being imported by the Pakistan Steel, though of a specialised kind. Facilities for handling coal at Port Qasim exist; some more may be developed.

One question, however, will have to be faced. That is of airpollution, which problem will grow as a consequence of this policy. Some of it will have to be tolerated. But suitable siting of the plants, as near importing or storage point as possible, should reduce some of this hazard.

Size of plants

Another question that now requires to be addressed to is the size of the power plants. The general tendency is to go in for huge ones; in the holy name of economies of scale, monster plants are being preferred. Manufacturers make a lot of money in the name of new technologies. But we can scarcely ignore Third-World realities that are everywhere in Pakistan.

Given our habitual negligence in proper maintenance and indifferent repairs of all machinery, it will be best to have a larger number of small plants. If one closes down, the sudden shortfall in power supply is not too terrible. On the contrary, should we continue to be fascinated by big-is-better philosophy, shutting down of a huge-size power plant (for maintenance and repairs) can be catastrophic.

Standardised plants, say of 200 MV, should make for better training of engineers and workers. Indeed, it will give scope for a progressive local manufacture of these plants. Above all the development of skills and technology in the country will be the chief advantage of going in for smaller plants. Should the Pakistani planners be imbued with this purpose and insist on true transfer of technologies, and progressive manufacture it will be big gain.

DAMAGE TO COTTON CROP: CREDIT FACILITY FOR GROWERS LIKELY

Karachi DAWN in English 17 Nov 83 p 4

[Text] Hyderabad, Nov 16: To compensate the loss sustained by the cotton growers in Sind due to the pest attack, credit facilities will be considered by commercial banks together with extension of the period of repayment of loans individually.

This was stated by a member of the Pakistan Banking Council, Mr I. D. Junejo, at a meeting of the Sind Wheat Board held here on Tuesday. The provincial Secretary for Agriculture, Mr A. B. Soomro, presided.

Mr Junejo said that due to the difficulties in obtaining Pass Books, the scheduled banks have been directed to provide loans against two sureties of amounts ranging between Rs. 6,000 and Rs. 25,000.

The Board also recommended supply of electricity to kacha areas.

It approved the 21,70,000 metric tons target for wheat production for the year 1983-84.

Over 6,000 Dais are being trained throughout Sind to acquaint them with modern methods of delivery, under the Population Welfare Scheme.

This was disclosed by the Secretary, Sind Population Welfare Department, Mr Shaukat Ali Sheikh, while awarding kit and certificate to trained Dais of Hyderabad District here on Tuesday.

Releasing the important role of trained Dais in rural areas, the Government had organised a three-month training course at 262 family welfare centres in the province, he added.

Mr Shaukat Ali Shikh urged the trained Dais to strictly observe hygienic principles.

CSO: 4600/163

NEW GRAIN STORAGE SYSTEM PLANNED

Karachi DAWN in English 20 Nov 83 p 4

[Text]

LAHORE, Nov 19: The Government has decided to introduce economical grain bulk handling and storage system with new techniques to solve the acute storage problem in the country and make the export prices of Pakistani wheat competitive in the international market.

In an interview here on Saturday Brig. Mohammad Akram, Managing Director of Pakistan Agricultural Storage and Services Corporation, said that this system would be very economical. As, he added, Pakistan had already become an exporter of wheat it would help in the bulk export of wheat with less expenditures.

He said that the Cooperative Bulk Handling Ltd. of Australia had provided designs and working plans of this system to the PASSCO and has promised to provide technical know-how and expert advice on the system. They had also provided two elevators free of cost.

He said that new techniques of steel frames for bulkhead or bunker storage of 3,300 tonnes capacity each at a nominal cost was under study. Efforts were being made to compare indigenous as well as Australian imported material cost and preference would be given to indigenous technology if found cheaper, he added.

He said that the structure for

storage under this system was mobile and portable and the material could be manufactured locally with the help of the CBH, Australia.

Replying to a question, he said that there was a big scope for the construction of silos and bulk storage. The bag system of storage was proving very costly. At present, one empty bag cost one dollar.

He said that the production of agricultural crops in the country was on the increase and the PASSCO was constructing godowns all over the country to meet the storage problem. It had been constructing silos of five lakh tonnes of capacity on behalf of the Pakistan Government with the assistance of the World Bank. Half of the work had already been completed and the rest would be finished by June 1985.

Similarly, he said that the Government had signed an agreement with the Asian Development Bank for the construction of godowns of four lakh tonnes of capacity of which 2.50 lakh tonnes capacity had been assigned to the PASSCO. This work would be completed by December 1988.

To a question about wheat export, he said that at present five lakh tonnes wheat was available for export of which 1.25 tonnes had already been sent to Iran to be followed by another 1.75 lakh tonnes.

—APP

CSO: 4600/164

LACK OF EFFORT TO FIGHT ILLITERACY DENOUNCED

Karachi DAWN in English 20 Nov 83 p 7

[Editorial: "War Upon Illiteracy"]

[Text] THE Federal Information Minister's statement that the Government is taking all possible steps to spread literacy in the country will be widely welcomed, although with a measure of scepticism. Thus, the goal of the Sixth Plan is said to be to raise the literacy level from the present 24 per cent to 55-60 per cent by 1988 and 100 per cent by 1993. Given the experience of other Third World countries such as Turkey, Cuba, Indonesia and Malaysia, these goals should not be impossible to realise. But what makes these goals appear a bit too ambitious in Pakistan is our past record in the field. Every Government in power has spoken of its commitment to universal literacy. What has been the result? The education policy of 1972 aimed at raising primary school enrolment to 100 per cent for boys by 1983 and for girls by 1987. And yet after five years the enrolment at the primary stage could only be increased from 43 per cent to 54 per cent. Thereafter the enrolment ratio has actually decreased to 50 per cent in 1983. In fact, the absolute number of illiterates in the country has gone up because the increase in the literacy rate has failed to keep pace with the population growth

rate. In 1972, there were 50 million illiterates in Pakistan; today there are 66 million. These figures are not surprising if it is recalled that the expenditure on education as a percentage of the GNP has declined in the last five years from 1.8 per cent in 1977-78 to 1.5 per cent in 1982-83. Although the Sixth Plan hopes to raise this to 1.9 per cent by 1988, this will still fall short of the 2.1 per cent we spent in 1976-77. Thus, it is clear that Pakistan's policies have definitely been retrogressive in the field of education and this has shown up in the literacy level that we now have.

What is it that explains the fact that the literacy rate has been so abysmally low? The three basic elements which go into the making of a vigorous literacy programme have all been absent or in short supply. First, the political will which Governments in other Third World countries have displayed in uprooting illiteracy has not been shown by any Government in Pakistan. Secondly, the funds needed to open schools, train teachers and produce worth-while books have not been forthcoming, not because resources are lacking but because money is being deployed to unproductive sectors. Thirdly, a feasible

strategy suitable for the indigenous conditions of different areas has not been drawn up. In countries where literacy rates have gone up phenomenally in the span of a few years, it has been evident that the Governments, while recognising the fundamental right of the people to education, have used their political resources and energies to the fullest to inspire and organise a great leap forward in the domain of popular education. In such situations education has emerged as a force for political and social change because it inevitably sharpens the people's critical faculties and raises the level of their consciousness. The bureaucracy of Pakistan has found it possible to perpetuate its undemocratic hold on power by keeping the people trapped in ignorance, illiteracy and superstition. A people who are illiterate tend to be unaware of their rights and are easier to keep in a state of bondage. Governments in other countries which have sought to spread mass education have invariably been politically oriented and as such have been under a compulsion to establish communication with the masses at a certain level of sophistication,

which is possible only if the people are literate. This has not been the case in Pakistan. In the absence of the political will, the Government here has failed so far to allocate sufficient funds to education. Some African countries which are much poorer than Pakistan are spending as much as 6 per cent of their GNP on education, which is more than the 4 per cent suggested by UNESCO.

The strategy adopted by Pakistan to spread literacy has not proved to be very effective either. The main thrust of the Government's programme so far had been towards increasing literacy through the school system. Although primary education is an important channel for spreading literacy, it has not been expanded fast enough nor have the people been motivated on a mass scale to send their children to school. As a result, school enrolment has fallen. Today there are more five-year-old children not going to school than there were six years ago. Moreover, the high drop-out rate (50 per cent at the primary level) means that half of those enrolled in Class I lapse into illiteracy. It is important for the Government to step up its programme of school expansion and, at the same time, it should also seek to motivate the people to send their children to school and keep them there for at least five years. The social, cultural, and economic factors which tend to keep parents from educating their children, especially their daughters, should be investigated and steps taken to counter them. Here, it would be relevant to point out the high rate of female illiteracy — 87 per cent — which is largely responsible for perpetuating illiteracy in general. A concerted effort to educate girls can prove to be very productive in the long run.

The other front on which any Government can hope to do battle against illiteracy is that of non-formal education for those who fall outside the pale of the school system. They are mainly the adult illiterates who constitute, so to say, the hard core of illiteracy. Although adult literacy programmes have always figured in the educational planning in the country, they have never received due importance. LAMEC, which was set up in mid-1981, has yet to make any significant impact. It is only now that it has sought to provide a framework through its ten-point programme which envisages, among other things, innovative measures such as a literacy drive every summer, the granting of university degrees to a student only after he/she has imparted literacy to one person, making it mandatory for all Government organisations to arrange for the education of all their illiterate employees, the undertaking of educational programmes through the media and so on. These measures can prove to be effective only if they are implemented with a revolutionary zeal and not as a bureaucratic exercise. Since the political will is so far not visible, it is not strange that LAMEC's programme so far remains only on paper. It not only involves considerable organisational effort which has yet to be initiated. It also calls for a strategy which must be suited to the cultural ethos and economic needs of the people. This has still to be worked out. It should be clear that an attempt to teach a rural person to read and write in a language which might be alien to him or her will be unproductive. The terminology and concepts used must fit into the local milieu of the people being taught. These might appear to be matters of detail but they are significant and could make all the difference between failure and success.

BRIEFS

CEMENT PLANT SET UP--Mianwali, Nov 16: A white cement plant has been installed at an expenditure of Rs 12 crore at Daudkhel in Mianwali District. The plant, which will go into operation shortly, will produce sufficient quantity of white cement daily. The machinery of the plant has been procured from the Heavy Mechanical Complex, Taxila, and the plant has been installed with the help of the local know-how.--APP. [Text] [Karachi DAWN in English 17 Nov 83 p 4]

BALUCHISTAN HIGHWAYS TO BE IMPROVED--Quetta, Nov 16: Two important highways, one international and another national, passing through Baluchistan are to be brought at par with international specific standard for better trade and traffic at an estimated cost of Rs 370 million, official sources said here on Tuesday. On the advice of the National Highway Board, Quetta-Dulbandin-Taftan highway, linking Pakistan with Iran is being developed at a cost of Rs 100 million for free flow of trade and traffic between Pakistan, Iran and other Islamic countries. Similarly, the National Highway Board has advised the construction of an alternate inter-provincial highway connecting Quetta with D. I. Khan at an estimated cost of Rs 270 million. Both these highways are being financed by the Federal Government. Initially over Rs 57 million have been allocated to Baluchistan for the national highways during the current fiscal year. During previous fiscal year, Rs 27 million were sanctioned for three national highways in Baluchistan. These are Karachi-Quetta-Chaman, Quetta-Zhob-D.I. Khan and Quetta-Sibi-Jacobabad highways.--PPI [Text] [Karachi DAWN in English 17 Nov 83 p 4]

AIRPORT GETS NEW EQUIPMENT--As part of its programme to improve and modernise facilities at the airports of the country, the Civil Aviation Authority has installed two sophisticated navigational aids at the small, but important coastal airport of Jiwani in Baluchistan. The aids, commissioned on Tuesday, are the distance measuring equipment (DME) and the very high frequency omnidirectional radio range (VOR). The two aids put together provide long and medium range navigational information to the pilot of an approaching aircraft for safe and on-course route flying by enabling him to fix his position in the air space and to determine his distance from the approach to the vicinity of landing runways. [Text] [Karachi DAWN in English 17 Nov 83 p 4]

NWFP POLICE CHIEF--Mr. Dil Jan Khan, Commandant of Frontier Constabulary has been reappointed as Inspector Gen. of N.W.F.P. Police. According to a

Federal Govt. Press Note, issued in Islamabad on Sunday, the services of Mr. Dil Jan Khan have been placed at the disposal of Government of NWFP for posting as I. G. Police with immediate effect. Mr. Dil Jan Khan remained NWFP Police chief for over two years from 14th July, 198[number missing] to 19th Sept. 1982 and was transferred again to F. C. where he was serving as Commandant till this appointment. [Text] [Peshawar KHYBER MAIL in English 21 Nov 83 p 1]

SWITZERLAND TO PROVIDE TRADE ASSISTANCE--Lahore, Nov 22: The Switzerland Government has agreed in principle to provide funds and trade assistance to Pakistan for which a working paper is under preparation. This was stated here on Tuesday by Mr Paul Wifley, the Swiss Ambassador to Pakistan during his meeting with the Lahore Chamber President, Mr Mohsin Raza Bukhari. He said in this connection a detailed programme would be chalked out with the consultation of business representatives and officials in Pakistan and subject to the nature of guarantees to be provided by the Pakistan Government, Switzerland would examine the possibilities of entering into joint ventures and investment programme with the private sector in this country. Very soon, the Lahore Chamber would be provided with a list of areas in which the corporate sector in Switzerland was interested. In this regard, an international seminar would also be held at Lahore in the near future during which separate sessions would be conducted on a number of items, including those produced by the sectors of light engineering, chemical, heavy machine-making and electrical equipment. [Text] [Karachi DAWN in English 23 Nov 83 p 14]

AIR CHIEF ON JETSTREAM EXERCISE--Air Chief Marshal Muhammad Anwar Shamim, Chief of the Air Staff said on Friday that the current Jetstream exercise, like the ones held earlier, had done a lot to generate confidence in the PAF about its ability to fulfil its assigned task, says an ISPR Press release. Addressing air and ground crews during his day-long visits to two sectors of the exercise in the southern air command area, he said PAF was medium-sized air force, with limited resources, which had to provide effective defence against forces many times its own size. The only way to discharge its sacred duty, therefore, was to maintain it at a high pitch of efficiency with optimum utilisation of what was available.--AFF [Text] [Karachi DAWN in English 26 Nov 83 p 1]

APPEAL ON TRACTOR PLANTS--Lahore, Nov 25: The All-Pakistan Tractor Manufacturers Association, in its first meeting has appealed to the Government not to sanction any more tractor manufacturing plants in the country as the existing five duly approved units are quite capable of meeting the estimated demand of 200,000 tractors during the Sixth Five-year Plan period.--PPI [Text] [Karachi DAWN in English 26 Nov 83 p 4]

PAKISTAN-ROMANIA JOINT BODY MEETS--The Romanian Ambassador in Pakistan, Mr Constantin Burada, has said that a meeting of the Joint Pakistan-Romanian Ministerial

Commission will be held in Bucharest on Nov 30 to consider various proposals for promotion of investment and trade relations between the two countries. Pakistan's team will be led by Mr. Ghulam Ishaq Khan, Federal Minister for Finance, Commerce and Co-ordination. The Romanian Ambassador who met the President of the Federation of Pakistan Chambers of Commerce and Industry, Mr. Saifullah Khan Paracha, in Karachi said that with the purchase of 60,000 tons of Pakistani rice by Romania and export of other items from Pakistan to his country during January-November this year, trade turnover had improved by 50 million dollars. The two sides were striving hard to reach the target of dollar 200 million agreed by the two Heads of the States in 1981, he added. Mr. Paracha said that though there had been some improvement in the volume of trade exchanges, there was need for Romania to buy more items from Pakistan such as chrome ore etc. In reply the Romanian Envoy said that Romania had recently expanded the list of imports to include chrome ore, copper and coke in larger quantities in consultation with TCP. The Ambassador hoped that TCP would furnish them enlarge a list shortly. He appreciated TCP's participation in the Bucharest autumn fair.--PPI. [Text] [Karachi DAWN in English 24 Nov 83 p 2]

STUDENT BODY'S DEMANDS--The Acting Secretary of Pakistan Progressive Students Alliance, Mr Mohammad Jan Gugyani, addressing a Press conference on Wednesday demanded lifting of Martial Law, restoration of democracy, general elections under the 1973 Constitution, release of all political detenus, and students union elections in Sind and Baluchistan. [Text] [Karachi DAWN in English 24 Nov 83 p 2]

CHINESE GOODS FOR REFUGEES--The Ambassador People's Republic of China, Mr Wang Chvanbin, presented two tons of black tea in 200 cases, 48 cases of stationery items and four milling machines on behalf of the Chinese Red Cross Society to the Chief Relief Commissioner, Afghan Refugees, Brig. Said Azher, at a simple ceremony in Karachi yesterday. The Chinese Ambassador speaking on the occasion highly appreciated the humanitarian service being rendered by the Government of Pakistan for the uprooted Afghan refugees. He said the humble relief material supplied by the Red Cross Society of China as measure of relief for the Afghan refugees in Pakistan was testimony that the Chinese shared their sorrows. The Ambassador also said China would keep supplying more relief goods for the refugees to ameliorate their suffering in future. [Text] [Karachi DAWN in English 20 Nov 83 p 12]

TRADE TALKS WITH AUSTRALIAN DELEGATION--Matters relating to two-way trade between Pakistan and Australia were discussed at a meeting between the visiting high-powered Australian trade and economic delegation, and Mr Hamid D. Habib, President's Adviser on Foreign Trade. The leader of the Australian delegation, Mr Vincent J. Danilo stressed the need for more frequent exchanges of businessmen between the two countries in order to know each other's requirements. He invited a trade delegation of Pakistan to visit Australia and suggested that this visit should synchronise with the Sydney International Trade Fair fixed for September next year. He said last time Pakistan's consumer items exhibited in this fair got good appreciation from Australian customers. The delegation is scheduled to leave for home today. It has already visited Lahore, Peshawar and Islamabad.--PPI. [Text] [Karachi DAWN in English 20 Nov 83 p 6]

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